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Vol. LIV, No. 16307 Monday, September 1, 1986 • Av 27, 5746 • Zul Hija 27, 1406 NIS 0.72 (Eilat NIS 0.63)

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New day in a new world

By ABRAHAM RABINOVICH
Jerusalem Post Reporter

From his office atop Mount Scopus last week, the professor of education looking out at the country saw the centralized structure of education giving way and, hovering on the fringe of the system, a would-be computer age with dubious credentials waiting to be invited in.

A kilometre away, the harried school principal excused herself periodically as she made telephone calls in an attempt to find teachers to fill two still-empty slots before the school year began in 72 hours.

"Teachers have to present their subjects in a much more interesting way today to hold the attention of children accustomed to television," she said. "My fear is that in trying to be interesting, we may be becoming shallow."

In her kitchen in Ein Karem, the mother recalled her son coming home from his first day in an Israeli school after their return from several years abroad, and calling it an unruly noisemaker. "To be both a disciplinarian and a teacher," she says, "is almost impossible."

The nation shaped its educational system and the system is now shaping the nation, but random conversations with educators and parents on the eve of the new school year reveal deep uncertainties about its direction and effectiveness.

"Children are definitely less well educated today than when I went to school," says the mother, a senior psychologist.

"Most teaching consists of a frontal transfer of information. This is not education. And we can't really expect it from a teacher trying to deal with 40 kids, some of them problem kids needing special attention. There are some exceptional teachers who can manage it, but they are very few."

Integration, she believes, has lowered the standards of education in those schools with an imbalance of disadvantaged children. But she acknowledges that her son, who attends such a school, is virtually unaware of who in his class is an Ashkenazi and who a Sephardi.

Integration, says the principal, has been a success in national terms. "We can't raise our children as if they belong to two different nations" — but she acknowledges that in educational terms it has been a disappointment.

"In this school there is discipline, the children speak politely and are taught not to insult. We are not just an institution for dispensing information."

(Continued on Page 2, Col. 4)



Children selling used books at a pavement "bookstore" the day before school starts. (Yitzhak Elhanan)

Navon to boycott panel handling budget cuts

By BERNARD JOSEPHS
Jerusalem Post Reporter

Education Minister Navon will boycott the ministerial committee on budget cuts following its decision last night to dismiss 100 school inspectors, he told *The Jerusalem Post*.

The three committee members had differed on the dismissals. Minister of Economic Affairs Gad Ya'acobi (Labour) said he had reservations about the cuts; Minister without Portfolio Yigael Hurvitz (Omeretz) said he opposed making a decision now; but the chairman, Minister without Portfolio Moshe

Arens (Likud), ruled that the inspectors must go.

Navon, clearly angered by the decision, said, "I will not go back to another meeting of this committee. There is no point at all in it."

The cuts had been "imposed" on him, and Navon told *The Post* his arguments had simply been overruled.

Earlier this year, 55 school inspectors were sacked by the Education Minister in a budget-cutting exercise.

Navon said, "The idea is to save" (Continued on Page 2, Col. 6)

Romania shaken by quake

VIENNA (Reuters). — A powerful earthquake centred in Romania sent shock waves through the Balkans early yesterday but first reports indicated it caused far less damage than a similar quake which devastated parts of Romania nine years ago.

The official Romanian news agency Agerpres said the quake, which registered 6.5 on the Richter scale, was about 20 times less powerful than the March, 1977 disaster which killed more than 1,000 people.

But the tremor was felt over a large area of the Balkans and official Soviet media reported that it caused considerable damage and casualties in neighbouring Soviet Moldavia. Nine aftershocks were registered in the 14 hours after the earthquake.

An official Romanian statement said the tremor at 00:28 a.m. lasted for a total of 50 seconds, of which the principle shock was 12 seconds long. The statement said it caused "no outstanding damage" and residents, contacted from Vienna, said the city was quiet yesterday.

Israeli tourists returning from Romania said yesterday that masonry fell from the hotel — and this is a hotel that was built on the site of a building destroyed in the last earthquake and specifically constructed to withstand tremors, said Paulina Nurnberg, 55.

Yitzhak Papp, 44, said he and his family rushed to the lobby from their 14th floor hotel room.

"Bucharest is a dead town after nine in the evening, and all of a sudden it was filled with crazy people running everywhere."

In the Moldavian capital of Kishinev, residents said they saw 15- to 20-story high-rise buildings swaying when the quake struck. Kishinev has a population of just over 600,000.

Summit overture to Hussein fails

By YEHUDA LITANI
Post Middle East Editor

A concerted effort by the U.S., Egypt and Israel to induce King Hussein to join next week's anticipated summit in Egypt has failed. Hussein now appears to have made his refusal to meet with Prime Minister Peres and Egyptian President Hosni Mubarak virtually final, reliable Palestinian sources said yesterday.

Jordanian Prime Minister Zaid Rifai's trip to Egypt yesterday, and Mubarak's visit last week to Jordan, were both part of the now apparently doomed effort to draw Jordan into the summit, according to the sources who returned from Amman after meeting with senior Jordanian officials.

The two visits were also tied to efforts to bring about a Jordanian-PLO reconciliation and an agreement on a list of Palestinians who could participate in a joint negotiating team, the sources said.

The sources noted that the U.S. had been behind much of the flurry of diplomatic activity, and had apparently coordinated its moves

with Jerusalem in an attempt to invest the summit with broader significance for long-term Middle East peace efforts.

The U.S. had tried to convince Jordan to give its blessing to a joint communiqué issued by U.S. Vice President George Bush and Mubarak, during Bush's recent visit to the

Minister without Portfolio Ezer Weizman reportedly flew to Europe last night on a secret mission at the behest of Prime Minister Peres. Vice Premier Yitzhak Shamir has approved the trip, Israel Radio reported. Weizman is said to be going to Bonn and to Rome to discuss the latest efforts to achieve a Middle East peace.

Referring to the attempted PLO-Jordanian rapprochement, the sources said that a series of high-level contacts between Jordanian officials and PLO representatives in Amman and another Arab capital had taken place during August.

The contacts had dealt with re-

quests by the PLO's Fatah branch to reopen five offices closed earlier this summer in Hussein's crackdown on the Palestinian organization, the sources said. The PLO officials had also asked Jordan to allow 40 Fatah officials to resume their activity in Amman.

According to the source, Jordan has not yet given a final answer to either request.

But Jordanian officials appear confident that the PLO is eager to keep communication lines open and to improve relations with the Hashemite kingdom, the sources said.

Rifai flew to Alexandria yesterday for several hours of talks with Mubarak and an Egyptian official said the Jordan premier had briefed the president on a meeting held on Friday in Amman between Hussein and Yuli Vorontsov, the Russian deputy foreign minister. Vorontsov also met yesterday with PLO chairman Yasser Arafat in Algiers.

Egypt's Minister of Information Sawwat al-Sharif told Radio Cairo that Rifai had brought a verbal message from Hussein connected with mutual efforts being made by Egypt and Jordan to achieve "progress towards a just peace to which the two countries are looking forward."

Reagan-Peres talks set Sept. 15

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — President Reagan and Prime Minister Peres will hold talks at the White House on September 15, U.S. and Israeli officials here confirmed yesterday. An official announcement will be made in Washington tomorrow following the U.S. Labour Day holiday weekend.

The officials also left open the possibility that Secretary of State George Shultz might, after all, participate in Peres's expected summit in Egypt with President Hosni Mubarak. That meeting is tentatively scheduled for September 10-11, although the final details have not yet been revealed.

Egypt is insisting that the Taba arbitration agreement be formally ratified and wants the three international arbitrators to be named before the summit takes place.

U.S. officials yesterday expressed confidence that Peres and Mubarak would hold their long-awaited summit. "I think it will happen," one authoritative official said.

Newsweek magazine yesterday reported that the Reagan administration has rejected a formal proposal from Peres that the summit with Mubarak be turned into a sort of Camp David II negotiating session with the Americans participating.

But Israeli officials in Washington said there was a real possibility that Shultz would travel to the region for

the summit. They insisted, however, that no final arrangements have yet been made.

"It's still up in the air," one Israeli official said. He noted that the secretary and his advisers have been going back and forth on this matter now for several weeks.

Shultz's Middle East trip would also likely include a brief stopover in Syria for talks with President Hafez Al-Assad, according to Israeli officials.

But the only thing that could really justify a Shultz trip to the region right now, that official said, would be a major breakthrough on the issue of Palestinian representation in revived Arab-Israeli peace negotiations. (Continued on Page 2, Col. 2)

Police likely to delay Shamir's interrogation

By BARBARA AMOUYAL
Jerusalem Post Reporter

Police are not likely to question Vice Premier Shamir about his alleged role in the killing of two terrorists captured after the No. 300 bus-hijacking until all Shin Bet (General Security Service) members have testified to a police inquiry, *The Jerusalem Post* has learned.

But when he is questioned, Shamir, who was implicated by three Shin Bet men last week, will be asked to explain a private conversation with former Shin Bet chief Avraham Shalom. During this conversation, Shamir allegedly authorized several illegal acts relating to the two terrorists taken alive following the April 1984 bus hijacking, and later slain in custody.

Police Inspector-General David Kraus plans to finish interrogating the Shin Bet men involved in the incident this week. Minister without Portfolio Moshe Arens, who was the defence minister at the time, and possibly other cabinet officials, will then be asked about their knowledge of the affair.

Only after that will Kraus invite Shamir to explain the "permission and authority" with which Shalom has insisted he acted in the killings of the two terrorists and the ensuing cover-up.

A source close to several of the Shin Bet men interrogated said yesterday that Shalom had indicated that Shamir knew of the killings, but that the vice premier's function in the cover-up has not been clarified. "The vice premier's role in the cover-up is still unclear," said the source. Shamir was prime minister at the time of the incident.

Kraus is believed to prefer delaying the session with Shamir until the last possible moment. Once Shamir's testimony is recorded, the police chief hopes to transfer all the investigative material to Attorney-General Yosef Harish.

Morocco holds Arab terrorists

RABAT (Reuters). — Morocco yesterday announced it was holding four foreign Arab terrorists who had planned attacks on public places in the country.

The Information Ministry said that two Tunisians, a Lebanese Palestinian and another Palestinian had been arrested on August 22 and 27 carrying explosives.

The four had confessed to belonging to a group of professional international terrorists who had already committed several outrages in various countries, notably Europe and the Middle East, the statement said.

The announcement followed persistent rumours of the recent arrest of foreigners and speculation that radical Arab groups were contemplating reprisals against Morocco for holding talks with Israeli Prime Minister Peres in July.

For the past four days, Morocco has been refusing entry to citizens of all Arab countries except Jordan and Saudi Arabia, Israel TV's Mabot newsreel reported last night.



British sculptor Henry Moore, who died yesterday aged 88, stands before a 170-ton white marble sculpture overlooking Florence's Duomo. The city of Florence honoured Moore in 1972 with an open-air exhibition of 160 of his works. (Foto Marchiori)

Blow-up in row over literary grant

By MARK SEGAL
Jerusalem Post Reporter

TEL AVIV. — A scandal involving a heavy mix of poetry and politics erupted yesterday on the Israeli literary scene.

Its source is the crisis-ridden remnants of the Israeli board of the American-Israeli Cultural Foundation (AICF). Yesterday in a tie vote, it turned down the unanimous recommendation of its literary committee to grant a one-time \$2,500 stipend to left-wing poet Yitzhak La'or.

The vote resulted from a campaign by Liberal Centre Party secretary Yosef (Tommy) Lapid, a board member who is opposed to La'or's allegedly radical politics. The outcome caused the immediate resignation of Hanoach Bartov as chairman of the literary committee and an AICF board member.

Bartov told *The Jerusalem Post* last night that he had resigned in protest "against Lapid's unprecedented political terror." Bartov said: "I'm quitting over a matter of principle. It is the first time that politics has been injected into a vote that rejected a unanimous decision of a body of literary experts."

Lapid, former director-general of the Israel Broadcasting Authority, whose wife Shulamit chairs the Israel Writers Association, was not available for comment last night.

He was reported to have campaigned against giving money to La'or because of what he said were extremist views reflected in his verse.

The remaining members of the literary committee are expected to follow Bartov and resign. They include such prominent figures as Prof. Gershon Shaked, Prof. Assa Kasher, and critic Nissim Calderon. Bartov joined the board recently, replacing author Yizhar Smilansky (S. Yizhar).

The board's new chairman, Weizmann Institute professor David Samuel, said he regretted the development. "I am all for freedom in literary matters," Samuel said.

The board meeting was the first Samuel had chaired since the recent resignation of five board members, including the former chairman, Shmuel Mordochai Virshupski. He quit together with Judge Shoshana Berman, Alignment MK Simha Dinitz, Likud MK Meir Shitrit and Davar editor Hannah Zemer, following charges of undue interference.

(Continued on Page 2, Col. 7)

EIGHT PAGES FROM SUNDAY'S

The New York Times

WEEKLY REVIEW INSIDE TODAY

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Safed	20	18-32	32
Haifa Port	23	21-30	40
Tiberias	23	21-30	40
Nazareth	32	17-35	35
Alula	32	14-34	34
Shimon	68	24-30	30
Tel Aviv	51	19-32	32
B-G Airport	22	20-31	42
Jericho	27	22-29	29
Gaza	69	22-29	29
Beersheva	29	17-35	35
Eilat	12	25-41	40

ARRIVALS

Burton S. Levinson, national chairman, and Abraham H. Foxman, associate national director, Anti-Defamation League of B'nai B'rith.

53 killed in LA air collision

BUENO PARK, Cal. (AP). — A jetliner collided last night with a small plane over southern California sending flaming wreckage to the ground and scattering "bodies all over the place," one highway patrolman said.

The Boeing 727 of Mexican airlines collided in the air with the small aircraft crashed 48 km. south-east of downtown Los Angeles.

Police said all 45 passengers and a crew of six were apparently killed, as well as two people of the small craft.

Iraq says Iranian pilots defect with F-14 jet

BAGHDAD (Reuters). — An Iraqi military spokesman said yesterday that two Iranian pilots had defected to Iraq with their U.S.-made F-14 jet interceptor.

The spokesman said squadron leader Ahmed Muradi Talebi and flight lieutenant Hassan Najafi Habibullah had landed safely at an Iraqi air base and were warmly welcomed.

Kach officer convicted of insulting Herzog

The president of the Jerusalem Magistrates' Court yesterday found a member of the Kach Party secretary guilty of insulting President Herzog during a party convention last February.

Reuven Ben-Ami, one of two Kach leaders charged, admitted he had violated the law but claimed that the remarks he had made about the president were spontaneous. Herzog had abandoned his non-partisan role when he had refused to appear before the party's convention. Ben-Ami said.

The second defendant, Moshe Potolski, who had denied the charges, still faces court proceedings. (Him)

Grenade hurled at film executive

By YORAM GAZIT

TEL AVIV. — A former Golan Globus film studio employee yesterday burst into the office of managing-director Yitzhak Kol and tossed a grenade onto his desk. The grenade failed to explode and the suspect was arrested.

Kol, 50, told *The Jerusalem Post* that the man, who had been laid off three months ago due to financial cuts, burst into his office at 9 a.m. carrying a grenade.

The man told a woman who was in the office to leave, and then pulled out the pin and threw the grenade. Kol said, "He said 'this is the end' and pulled out the pin." Kol said.

"I didn't have time to think or be afraid. I threw the grenade towards the window, grabbed the man, lifted him in the air and put him in front of me like a live barrier."

The grenade broke the window, and stuck in the frame, but failed to explode.

Kol said that the man, 27, had come regularly to the firm to ask for his job back. But, said Kol, he had never threatened violence.

But a studio employee told *The Post* that the man had in fact threatened to attack Kol if he didn't take him back to work.

SEALED. — Security forces on Saturday sealed a Nabulus apartment which they say was an "operations centre" for the Popular Front for the Liberation of Palestine.

HOME AND FOREIGN NEWS

Rocky start to school year after all

By BERNARD JOSEPHS

Jerusalem Post Reporter

Despite earlier assurances to the contrary, concern about an uneasy school year was expressed yesterday by Education Ministry sources and teachers' representatives.

Five high schools will not open today because of a strike by the Secondary School Teachers Association over dismissal of teachers or reduction in their working hours.

The schools affected are the Fierst High School in Bet Shemesh, the Kfar Hassidim High School, the Kennedy High School in Acre, and the high schools in two Arab villages, Kara and Tamra.

Yitzhak Welber, secretary-general of the rival Histadrut Teachers Union, warned yesterday that there would be a fierce struggle between the union and the government if budget cuts were carried out.

Welber said Finance Minister Nissim's insistence on reducing education spending by 3.9 per cent could lead to the dismissal of some 3,000 teachers this spring, when their contracts come up for renewal.

Welber continued: "We see the end of this school year and the beginning of the next as likely to be very stormy. If the cuts are carried out as planned, we fear that we will have no choice but to fight and maybe to strike."

This year 3 per cent of the cut, some \$28 million, is being met by virtually doing away with the ministry's reserve fund, said Welber. But next year it will have to be met by cutting from the operational budget.

A well-placed ministry source

confirmed his view that unless the cuts were rescinded, officials would probably have no choice but to send dismissal notices to several thousand teachers by the end of May.

Meanwhile, at a press conference in Jerusalem yesterday, the Histadrut Teachers' Union said that schools would be short of about 600 high school science, physics and maths teachers, and some 700 elementary school teachers.

The union said it was deeply concerned about overcrowding, particularly in the Arab sector which is short of 1,750 classrooms.

Special education had been hit, with a 40 per cent cut in the number of teachers' helpers, the union reported. However, Education Minister Navon last night announced that an extra 50 special education classes would be set up this year.

Shimon Shoshani, the Education Ministry's new director-general, who takes over today from Eliezer Shmueli, said the education system could do little to combat the problem of society's deteriorating values.

Interviewed on Army Radio about the stabbing to death of a teenage boy during a gang brawl over the weekend, he said: "What happens in the education system reflects what happens in Israeli society. It is unrealistic to hope that the system can resolve all society's problems."

The Secondary School Teachers Association has ordered its member teachers and principals to report all cases of violence in the schools to the police and not to withhold reports in an effort to protect the school's

"good name."

Nearly 92,000 children will be starting their school careers today as first grade pupils.

The ministry also announced that, despite reports to the contrary, parents who have been asked to take their turn in guarding schools should report for duty. A spokesman said that the ministry was planning alternative security measures in the coming months.

One person returning to Acre's Tamar school today is doing so after a 25-year absence.

Tamar Steinlauf was last at the school as a pupil when it first opened in 1961. She went on to study at the Hebrew University, and is coming back today as the principal.

The school today has 570 pupils in 20 classes.

A back-to-school road safety campaign with increased patrols around schoolyards and pedestrian crossings starts this morning at police initiative. Thousands of police and civil guard volunteers are to be drafted to guarantee the safety of the 1.5 million children returning to school.

Police will patrol roads around schools and kindergartens during the peak hours of 7-8 a.m. and 12 noon-1 p.m. The campaign will continue until Thursday.

A national police spokesman yesterday asked all drivers to be on the alert during the morning rush hours. He warned that many pupils would be attending school for the very first time, and might not be familiar with proper pedestrian behaviour.

Rescue plan for Arab electric co.

By JOEL GREENBERG

Jerusalem Post Reporter

Energy Minister Moshe Shahal yesterday presented a detailed plan for resolving the difficulties of the debt-ridden Jerusalem District Electric Company at a meeting with company lawyer Shlomo Toussia-Cohen.

Toussia-Cohen, who refused to give details of Shahal's proposals, described them as "conditions," which amounted to "a fairly complete plan for resolving all the problems."

The lawyer said the company would respond to the proposal after he discussed them with JDEC chairman Anwar Nusseibeh. Nusseibeh said last night that he hoped a further meeting with Shahal could be arranged.

The JDEC buys over 90 per cent of its power from the Israel Electric Corporation and owes it some NIS 20 million.

NEW DAY

(Continued from Page One)

We teach values. But norms are changing — social norms, norms of behaviour — and we have to find a way to change too without losing our balance."

During the Six Day War, she noted, it had been considered shameful to display fear. "Today we encourage children to express their fear. We don't want them to suppress it." The increase in divorce has had an impact on the classroom. "When the children return from summer vacation, one of the first things I check is whether there has been a change in their family status. It can affect not only the child involved, but the whole class."

The professor views the increasing decentralization of education — the involvement of parents and municipalities in the programme of their local schools — as a significant and potentially uplifting development. But not necessarily. "Without good local people, it can be disastrous."

He is dubious, even sceptical, about the potential of the new computer age rapping at the door. "There is lots of parental pressure to get into it — fear that the children will lose out if we don't — but international experience has been modest about what it can accomplish. Twenty years ago, people also thought that educational television would change the nature of education, but it hasn't."

The freshly scrubbed children heading for their first day of school this morning with a mixture of excitement and trepidation are happily unaware of these uncertainties. The children's sense of anticipation remains unchanged, but for the grown-ups responsible for guiding them, things have become much more complicated.

Kids kept home from Acre school

By DAVID RUDGE

ACRE. — The nearly 900 pupils of the Amal Elementary School in this city's old quarter won't be attending class when the new school term gets under way today.

Their parents are keeping them at home to protest against what they say is the dilapidated and dangerous condition of the school building, parts of which date back to the Ottoman period.

The strike by the Arab parents has the backing of the municipality and of parents committees at other schools.

Mayor Eli de Castro said he would not take responsibility for the pupils' safety if they had to continue studying under such conditions.

He noted that the Amal school's situation was not unique to Acre. "There is a general problem about the standards of building and shortage of classrooms in the Israeli Arab sector generally."

"What is different here is the mixed nature of the city. Arab pupils only have to look across the way and compare their situation to that of their Jewish counterparts," the mayor said.

The municipality has been pressing for many years for a replacement for the Amal school. But although the Education Ministry has approved plans for the demolition and replacement of the building, the Finance Ministry is withholding funds, according to Castro.

Parents' allegations that the building itself is in danger of collapse are confirmed by the town's engineer, whose report on the building said it was unfit for use as a school.

Last year a piece of masonry crashed into one class, and another piece fell into the schoolyard.

"The outside toilets are a disgrace and there is no covered area for the children to play during the winter," said Ziad Nussa, chairman of Amal's parents committee.

"Because of its position, scarcely any light gets into the classrooms, and the building itself looks more like a prison than a school," he added.

Pupils complain that in the winter they have to study under the protection of umbrellas in the classrooms. "The rain leaks through the roof and the walls, and it's cold and uncomfortable," said one pupil.

De Castro and members of the parents committee are due to meet Education Ministry officials at the school this morning to discuss ways of solving the problem.

Two women slain for 'family honour'

Jerusalem Post Reporter

A West Bank man decapitated his sister with an axe and turned himself in to police yesterday carrying her head in a plastic bag, according to police.

The 20-year-old man, from the village of Laqef, near Tulkarm, murdered his sister, Wasifa Abdel Hafiz, after she had admitted having had sexual relations with a young man in the village. Her father had reportedly been trying to arrange a marriage between the couple.

In a similar incident, a Beduin youth who allegedly murdered his bride a few days after their wedding and tossed her body into a well, turned himself in to Ramle police yesterday.

Sara Abu-Najim, 18, was murdered on Saturday night after a marriage that had been arranged to save the family honour. The girl had earlier sought police protection after having had sexual relations with an Arab youth in her village.

Budget for roads

Jerusalem Post Reporter

Transport Minister Haim Corfu yesterday requested an annual budget of \$90 million per annum, for the five years commencing April 1987, to improve roads and reduce road accidents.

The cabinet did not approve Corfu's request, made at its weekly session, but appointed a committee of five ministers, chaired by Finance Minister Nissim, to report within one month.

Corfu told his colleagues that only \$46m. is slated to be spent on the highway system this year.

23 convicted of wrecking bus shelters

A Jerusalem Magistrate yesterday found 23 ultra-Orthodox men guilty of vandalizing over 30 bus shelters in the capital in the past three months. All 23 admitted to vandalizing the shelters. They appeared yesterday at the Russian Compound in Jerusalem with family and friends to hear Jerusalem Magistrate President Aharon Simha announce his decision. The accused were met with back pats and cheers when Simha, who tendered a guilty decision, agreed to postpone sentencing for another two weeks.

Jerusalem District prosecutors have charged 27 religious zealots with malicious vandalism of capital bus shelters. Only four have pleaded not guilty, and their trials will be held separately at a later date.

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Former agent says Nazi collaborators prominent in France

By MICHEL ZLOTOWSKI

Jerusalem Post Correspondent

PARIS. — A former French counter-intelligence official has charged in an interview published in the *Paris Match* magazine this week that several leading French businessmen and government officials worked for the Nazis during World War II.

Alexandre de Marenches said the evidence came to light 16 years ago, when archives seized in 1944 from the Gestapo and the Abwehr were uncovered. Marenches said he had personally inspected some of the documents.

"The result was unpleasant, even painful," he recalled in the interview. "We found that well-known personalities who had been, or said they had been, in the resistance or good patriots, were in fact, paid by the German [intelligence] services. They had even signed receipts for

their treason money."

But Marenches — who for 11 years headed the SDECE, France's secret service — said he would not reveal the names he had found.

"I thought then, and still think, that division is one of the meanest French vices. We need not go muck-raking, as these people are still alive."

French Nazi hunter Serge Klarsfeld, however, has dismissed Marenches's revelations as "baloney."

"The whole story lacks precision," Klarsfeld said. He said the Marenches interview had impressed him as the memoir of "a frustrated man" trading on his former glory and "looking for some publicity. Most of the Gestapo archives were destroyed in Berlin where they had been transferred by the end of 1944."

Nurses' strike depends on today's negotiations

By ROY ISACOWITZ

Post Labour Correspondent

TEL AVIV. — The differences between the Histadrut and the hospital nurses are likely to come to a head this afternoon when the nurses' representatives meet Trade Union Department chairman Haim Haberfeld, Histadrut sources said yesterday.

Haberfeld aims to persuade the nurses to accept the Histadrut's compromise proposals in the negotiations with the government. The sources said. Failure to reach an agreed solution today is likely to result in a renewed strike by the end of the week.

Haberfeld yesterday said the nurses had their heads in the clouds: The Histadrut "cannot, in any way, accept their demands," he said. Among these he listed a wage increase of "well above 50 per cent," and the creation of several thousand new jobs.

The Histadrut has proposed the creation of 1,000 new positions within the next six months and a further 500 within the next three years, improved work conditions, and payment for overtime within the framework of the national wage agreement.

The Treasury, according to Histadrut Secretary-General Yisrael Kessar, is prepared to offer only 950

new positions, to be created over six years.

The Histadrut executive yesterday expressed conditional support for the nurses, calling on them to "show responsibility and refrain from steps which would endanger the lives of the sick and threaten the foundations of public health in Israel."

Kessar disclosed yesterday that under a recent agreement with the government, Kupat Holim Clalit, the Histadrut-owned health fund, could not enter into independent negotiations with the nurses. Kessar was responding to a demand by MK Ya'akov Shalom, head of the Likud caucus in the Histadrut, that the fund sign a separate agreement with the nurses it employs.

Under the agreement, which allocates state assistance to the health fund, any unbudgeted financial outlay arising from national agreements will be covered by the government. Kessar said. But the government will not cover expenses arising from separate agreements.

While taking issue with the nurses' demands, both Kessar and Haberfeld accused the government of dragging out the negotiations with the nurses and acting in bad faith.

The Treasury is seeking a solution "without any cost," Kessar said. He predicted a "very serious crisis" if both the Treasury and the nurses continued in their original positions.

Romanian couple permitted to stay here

Jerusalem Post Staff

A Christian couple from Romania who have spent more than a month in prison awaiting deportation will be allowed to remain in Israel, the Interior Ministry said yesterday, in a reversal of its previous ruling.

A ministry spokesman would not explain the change of policy, except to say that "the circumstances that led to the original decision had changed."

Victor and Olivia Godeanu came to Israel in May 1985 to be with Victor's mother, who immigrated 10

years earlier with Victor's Jewish stepfather.

The Godeanus asked for permission to remain, but were turned down by the Interior Ministry.

After failing to comply with a deportation order issued on April 8, the two were sent to prison on June 8.

They were released 45 days later, after the High Court of Justice gave Interior Minister Yitzhak Peretz 45 days to show cause why the couple should not be granted permanent residency.

NAVON

(Continued from Page One)

money, but without school inspectors, who will report on any waste that is going on? Why should they fire 100 inspectors? Why not 300 or 400? Or why not fire anybody else for that matter?"

Navon intimated that the decision had been taken arbitrarily by the chairman.

"While we were all agreeing with each other, the discussion went along very well. But when we came to disagreements, there was no debate. The decision was just imposed on me."

BLOW-UP

(Continued from Page One)

ence by the AICF American board. Its president, violinist Isaac Stern, had notified the Israeli board, through a lawyer, that he was severing relations with the Israeli committee for as long as Virshubski remained chairman. Virshubski is a cousin of Stern's wife Vera. AICF vice-president and its dominant spirit.

Virshubski complained to *The Post* last night that "Lapid engineered a majority vote by default. I fear for the foundation's politicization."

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Anti-Israel resolutions expected Algerian president lone Arab leader at non-aligned summit in Zimbabwe

HARARE (Reuters). — Algeria's President Chadli Benjedid who arrived here yesterday is the only Arab leader expected to attend the Non-Aligned Movement's summit starting today, in the poorest turnout of Arab leaders since the movement held its first summit in Belgrade in 1961.

All other Arab countries, barring surprises, were expected to be represented at a lower level. Arab delegation sources said.

Zimbabwean authorities and Arab delegates here could not offer any explanation for the absence of Arab kings and heads of state.

Egypt, a founding member of the movement, will be represented by Minister of State for Foreign Affairs Boutros Ghali and Vice-President

Abdel Halim Khaddam will represent Syria.

The six Arab Gulf states will be represented either at ministerial or even lower level.

Palestinian sources said Palestine Liberation Organization chairman Yasser Arafat was expected to attend.

Some Arab delegates believe the Arab leaders are staying away because they see the summit as a rally in support of Zimbabwe in its confrontation with South Africa.

There is very little the 101-member movement could offer in settling the Arab-Israeli dispute beyond reiterating, already known positions of support to the Arab world.

The non-aligned countries, in a

new package of condemnations against Israel, have urged it to withdraw from Lebanon, a Lebanese delegation source said yesterday.

He said the call, approved by the movement during Saturday night's Political Committee meeting, was bound to be endorsed by the 101 non-aligned heads of state or their representatives.

The condemnation, contained in a declaration on the situation in Lebanon, does not refer to the presence of some 25,000 Syrian troops in eastern and northern Lebanon by name. It condemns the 1982 Israeli invasion of Lebanon and the continued occupation of southern Lebanon, and accuses Israel of "inhuman practices".

Iran, in a rare though unintention-

al sign of solidarity with its bitter enemy Iraq, approved without reservation a unanimous condemnation of Israel for its 1981 armed aggression against Iraqi nuclear installations, which Baghdad said were built to help the country develop the peaceful use of atomic energy.

The declaration said Israel had so far refused to commit itself to not making further threats to nuclear installations in Iraq or elsewhere and urged the International Atomic Energy agency to obtain such guarantees.

Iraq's First Deputy Prime Minister Taha Yassin Ramadan arrived yesterday only a few minutes before the arrival of Iran's President Ali Khamenei, his country's arch enemy.

Kekkonen of Finland dies at 85



HELSINKI (AP). — Flags flew at half-mast nationwide yesterday in honour of former president Urho Kekkonen, who died at his home early in the morning at age 85.

"His achievements were major and point the way for us far into the future," his successor, Mauno Koivisto, said in a nationally televised eulogy.

Kekkonen was largely responsible for Finland's postwar policy of coupling independence and ties with the West with careful attention to the delicate relations with the Soviet Union.

This policy, dubbed "Finlandization," is now widely praised as a cornerstone of Finnish sovereignty.

Kekkonen's 26 years in office made him Finland's longest-serving president. He was in the middle of his fifth term when mental deterioration caused by hardening of the arteries forced him to retire in 1981.

"With the departure of Urho Kekkonen, Finland has lost one of its greatest sons and the Nordic countries one of the most progressive statesmen of the postwar period," Prime Minister Poul Schluter of Denmark said.

Kekkonen received a doctorate in law in 1936 and entered politics the same year, winning a seat in the Eduskunta, or parliament, as a member of the Agrarian party.

Kekkonen became a director of the Bank of Finland in 1946 and held the job for 10 years until he was elected president. He also was speaker of parliament from 1948 to 1950, foreign minister from 1952 to 1953 and again in 1954. He served as prime minister five times.

Low-key mass on Solidarity anniversary

GDANSK (Reuters). — Solidarity leader Lech Walesa and several thousand supporters celebrated the union's sixth anniversary yesterday by attending mass, avoiding confrontation with lorry-loads of riot police standing by.

Following the pattern of previous anniversaries, Walesa laid flowers at the big three-crosses monument to shipyard workers killed by security forces in 1970.

SLA bombardment

TYRE (AFP). — A young girl was killed and four members of her family wounded yesterday morning when their house was hit in a bombardment by the South Lebanon Army (SLA) militia, correspondents in the region reported.

The SLA fired 20 shells at the village of Qabriha, which lies north of the "Security Zone" along the border.

Iraq proposes pact to end the Gulf war

MANAMA, Bahrain (AP). — Iraq is ready to accept an internationally guaranteed mutual non-aggression pact with Iran to help end the Gulf war, Iraq's Parliament Speaker Saadoun Hamadi announced yesterday.

"We are ready to accept guarantees from the superpowers and the five permanent members of the UN Security Council for a mutual non-aggression pact between Iraq and Iran," Hamadi told the state-run Iraqi News Agency.

"Iraq is ready to ratify such a pact and deposit it with the United Na-

tions," Hamadi added in the statement also broadcast by Baghdad radio and monitored in Bahrain.

The announcement was described by the Gulf region's Arabic wire services as a "new Iraqi stand" on a possible peace settlement.

The announcement came on the eve of the summit conference of non-aligned countries in Harare, Zimbabwe, where the southern Gulf Arab powers were planning to push through a recommendation for a peace settlement between Iraq and Iran.

Lebanese Shi'ite leader bars Israel from peace formulas

BEIRUT (Reuters). — Shi'ite Moslem Leader Nabih Berri said yesterday all kinds of links with Israel should be excluded from Lebanese peace formulas to be debated this week.

Moslem and Christian cabinet ministers will meet tomorrow to discuss ways of ending 11 years of civil war and giving Moslems a greater share in government.

Speaking at a rally in Moslem West Beirut, Berri, who is Minister of Justice as well as chief of the Shi'ite Amal militia, listed the conditions he said should govern the talks.

"There shall be no peace negotiations, relations or security arrangements with Israel or (Israel-backed

militia leader Antoine) Lahad," he said.

Lahad, a Christian, commands the South Lebanon Army (SLA) in the security zone.

Berri added that Lebanon was an Arab state and should have "distinctive relations" with Syria. Berri defended UN Security Council Resolution 425 creating the UN Truce Supervision Force in South Lebanon, which has been attacked by the Iranian-backed Hizbollah (Party of God).

He asked if those who opposed it wanted to see the displacement of some 400,000 southerners — including 350,000 Moslems — who he said were able to stay on their land because of the presence of the force.

Morocco acted 'illegally' in severing pact, Libya charges

PARIS. — Libya yesterday described as "illegal" Morocco's decision to break the "treaty of union" signed by the two countries in August 1984, and threatened to take legal action against "whoever is responsible."

The Libyan news agency Jana, monitored here, said Tripoli "regretted" Friday's announcement by Morocco's King Hassan II ending Rabat's adherence to the treaty and pledged to "leave it to the two peoples to decide (the treaty's) future."

The agency said Libya would "continue to take all measures necessary to submit this decision before the legal authorities set out in the treaty and take action against whoever is responsible for this act which casts discredit on the will of the fraternal peoples of Libya and Morocco."

King Hassan on Saturday scrapped the treaty signed two years ago following a joint Libyan-Syrian announcement criticizing his meeting with Prime Minister Shimon Peres in July in Ifrane as "an act of treason."

It was generally believed that King Hassan used the "union" to halt Libyan logistical assistance to guer-

illas of the Polisario front fighting his government's troops in the disputed Western Sahara, while Col. Muammar Gaddafi used the agreement to reduce Libya's growing isolation in the Arab world.

The delegations of Algeria, the Polisario and the PLO said yesterday they had foreseen the collapse of the treaty of union between Morocco and Libya.

On Saturday night, Soviet Vice President Pjotr Demichev arrived in Tripoli and denounced U.S. military "provocation against the Libyan people," Libyan state media reported yesterday.

Demichev was in Libya to take part in celebrations marking the anniversary of the 1969 coup that brought Gaddafi to power. (AFP, Reuters, AP)

Arrests in Egypt

CAIRO (AP). — Five Islamic fundamentalists were arrested yesterday for allegedly distributing leaflets attacking the government, the state-run Middle East News Agency reported.

Cairo wants 'spies' ousted from Sinai

MANAMA, Bahrain (Itin). — Egypt reportedly has demanded authorization from the commander of the multi-national Sinai force to expel a Finnish unit because it allegedly supplied Israel with intelligence information on Egyptian military movements in the Sinai.

Report of the Egyptian demand was published in the Abu Dhabi newspaper *Al-Ithad*, which cited "knowledgeable" Egyptian sources.

The newspaper said that Egypt requested another Finnish unit be sent to replace the one allegedly caught spying.

According to the sources, Egypt recorded in March, 32 clandestine broadcasts sent to Israel by 28 members of the Finnish force stationed near Sharm el-Sheikh. The broadcasts contained information on the planned movements of the Egyptian forces, the article reported.



Zimbabwe Prime Minister Robert Mugabe claps the hand of Cuban President Fidel Castro at Harare airport yesterday. Castro arrived to attend the eighth non-aligned countries summit. (Reuters telephoto)

Sowetans set mass funeral without seeking official permit

JOHANNESBURG (AP). — A church leader yesterday said that Sowetans would hold a mass funeral on Thursday for the blacks killed by police last week, and would not seek government approval.

"We can't go cap in hand," said the Rev. David Nkomo, rector at St. Paul's Anglican Church in Soweto, after a service commemorating the dead. "If they're going to stop us, let the world know they're going to stop us. We are not going to ask permission."

Twenty blacks were shot dead by police during the outbreak of violence last Tuesday and Wednesday, and a black town councillor was hacked to death by youths.

The government has banned many mass funerals of unrest victims in recent years, saying they serve as forums for radical anti-apartheid protest. It has not said whether it will allow Thursday's ceremony.

City Press, a weekly newspaper

serving black readers in the Johannesburg area, reported yesterday that 27 of Soweto's 32 councillors have fled the black township in fear of further attacks. The newspaper said the councillors had taken refuge in apartments in a Johannesburg neighbourhood — officially off-limits to black residents.

Yesterday's church service, attended by about 500 people, featured an emotional sermon by Desmond Tutu in his last appearance as Anglican Bishop of Johannesburg. Tutu, who said he might attend the planned mass funeral, is to be enthroned next Sunday as archbishop of Cape Town, becoming the first black leader of southern Africa's Anglican Church.

The violence has been attributed to anger among Sowetans at the government-supported council's approval of a campaign to evict families participating in a widespread rent boycott.

UK may restrict Commonwealth immigration

LONDON (AFP). — Britain is considering demanding entry visas from citizens of certain Commonwealth nations as part of a policy review of immigration procedures, a Home Office spokesman said here yesterday.

Other sources said the move was aimed principally at countries like Ghana, Nigeria, India, Bangladesh and Pakistan. Visa requirements were imposed in May 1985 for Sri Lankan visitors in a bid to stem the flood of Tamil refugees fleeing unrest in their country.

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Henry Moore, at 88; fought ridicule to gain recognition

LONDON (Reuters). — Briton Henry Moore, who died yesterday aged 88, battled against incomprehension and ridicule to win recognition as one of the greatest sculptors of the century.

Revealed in his early career by an unprepared public, his style has never gained easy acceptance. But his works have with the years imposed themselves as part of the common experience of the western world.

His output over 60 years ranged broadly from tiny, polished stones through sinuous wood and plaster carvings to massive roughcast bronzes, typically of reclining figures with tiny heads and pierced with gaping holes. Nearly all are marked by the same powerful, individual vision of a master.

Among his major works were a marble reclining figure for the UNESCO headquarters in Paris in 1956, and a large two-piece figure for New York's Lincoln Centre, unveiled in 1965. Moore liked outdoor settings for his larger works, which often look cramped in a museum or gallery.

Henry Spencer Moore was born on July 30, 1898, at Castleford, Yorkshire, the seventh son of a self-educated coalminer. He won a scholarship to the local state grammar school, and to please his father agreed to learn a profession before trying to live as a sculptor.

He became a student teacher, but six months later he was in France as a rifleman in World War I. In 1919 he got a grant to study at the School of Art in Leeds. From there he won a scholarship to the Royal College of Art in London and in 1925 a travelling award gave him a chance to study classical Italian art at first hand.

He moved in 1932 to head a new department of sculpture at London's Chelsea School of Art, staying there until 1939 when he was at last able to

support himself by his sculpture alone.

During this period his work was influenced by archaic sculpture, notably that of Egypt and Mexico, and by the cubists. His preference was already visible for the weighty, monolithic figures that became his trademark.

In the post World War II years, his name was now known, but his work still ill-understood in his homeland. In 1954 Manchester refused to pay £760 (then \$2,130) for a torso described by one alderman as "distorted to the point of being grotesque."

Moore's work from the 1950s and 1960s now appears his most impressive, the output of an artist at the height of his powers. But this may be because the world's eyes have only now caught up with what Moore was seeing 20 years ago.

Meir Kanner adds:

There are representative sculptures by Henry Moore at the Israel Museum and the Tel Aviv Museum, and a seated figure at the Hebrew University's Givat Ram campus; and graphic collections in various locations. The Israel Museum has his famous "Elephant Skull" and other series; and Tel Aviv University, which awarded him an honorary doctorate in 1982, also has a collection of his prints.

Moore was here in November 1966, shortly after his first big Israel show was opened at the Israel Museum. He met with groups of Israeli sculptors and artists and charmed everyone with his genuine, if reserved, warmth and lack of pretension. The last Moore show here devoted to his works in Israel, was held jointly at Tel Aviv University and the Horace Richter Gallery in 1982.

An appreciation of Moore will appear in *The Jerusalem Post* magazine this Friday.

U.S. newsmen still detained after 4-hour KGB grilling

MOSCOW (AP). — The KGB secret police said yesterday it was holding an American correspondent on spying allegations that his wife denounced as "totally barbaric."

Ruth Daniloff met with her husband, Nicholas, a correspondent for *U.S. News and World Report*, for about an hour in a reception room at Lefortovo prison in eastern Moscow, where Daniloff has been held since he was detained on Saturday.

She said her husband was taken into custody after an acquaintance handed him a packet which was found to contain maps marked "top secret." Daniloff appeared to be in good physical condition and good spirits despite having undergone four hours of intense interrogation on Saturday, she said, adding that he

was held in a 2.5 by 3 metre cell with another man he described as a Soviet citizen.

The interview was conducted in the presence of KGB investigator Sergodeyev, a translator, and U.S. consul Roger Daley. The authorities seemed to be observing legal forms within their investigation, she said, but called the whole case a "set-up."

Consul Daley said no charges were likely to be filed against Daniloff until the investigation was completed.

The KGB claimed earlier yesterday it caught Daniloff "as he was engaging in an act of espionage.... The material confiscated from him fully expose the U.S. correspondent of being involved in intelligence activities."

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Ministries declare war on kids' lice

By JUDY SIEGEL
Jerusalem Post Reporter

An interministerial committee is soon to decide what to do about schoolchildren infected with head lice, which affect 15 to 20 per cent of youngsters in every socio-economic group.

The Education and Health Ministries lean towards a get-tough policy that would require school principals to keep children out of the classroom until the pediculosis is cleared up. Others fear that this would stigmatize or traumatize the child, when in fact it is the parents who should be treating the condition and who are to blame for the head lice.

Dr. Ted Tulchinsky, director of preventive and community medical services at the Health Ministry, told *The Jerusalem Post* yesterday there is "no shame" in having pediculosis, a condition that every country, including Switzerland and the Scandinavian lands. Climate, including heat and humidity, is not a factor. The lice usually affect children up to the age of about 10 in kindergartens, day-care centres and schools. The lice have little opportunity to travel from one older child to another as there is less body contact among older children.

Periodic campaigns to eliminate the lice usually reduce the occurrence by half, but the lice quickly reappear when children who still have them infect others.

Education Minister Navon apparently erred last week when, at a press conference on the eve of the new school year, he said there were no plans to keep pediculosis affected children out of class. In fact, ministry officials view this as the only way to force parents to take action.

Until an official policy is set, school nurses and teachers will check heads for lice. A child found to have the blood-sucking parasites will go home with instructions on how to eliminate the lice and a form that a parent must sign.

The Health Ministry recommends several anti-lice preparations, including some that require a doctor's prescription. But most are available over-the-counter from the pharmacy. Shampoos are viewed as less effective than preparations that must remain on the head overnight.

"We're getting to the point where we have to pressure parents. There is no mechanism that allows the Education Ministry to fine parents whose children have head lice. But it is unfair to children who are free of the condition to send children who do have head lice to school," says Tulchinsky. "The school alone can't cope with the problem."

The Health Ministry recommends treating all members of an infected child's family. Advice may be obtained from school nurses or family health stations (*tipat halav*).

Rubinstein seeks single charge for late night phone calls

Jerusalem Post Reporter

Just hours before Bezek was set to begin multi-unit charges for lengthy local phone calls for 15 per cent of the country's subscribers, Communications Minister Amnon Rubinstein said yesterday he would seek a change in the regulations that would allow callers to speak all night for a one-unit charge.

Rubinstein said that as a result of public demand he had asked the Knesset Finance Committee to allow the charging of one phone unit for calls of whatever length made between 11 p.m. and 7 a.m. effective October 1.

Under regulations effective today, subscribers in areas served by digital phone exchanges will pay one phone unit for every five minutes of conversation between 8:30 a.m. and 8:30 p.m., and for every eight minutes of conversation the rest of the day.

Meanwhile, Bezek has won a 19 per cent price hike for phone calls, bringing the cost of a unit to 7.6 new agorot. International phone and telex rates will go up 1.4 per cent. Both took effect last night.

But inter-city phone rates will in effect drop, as call units will last 16.6 seconds longer than before. Rubinstein said he sought the extension because residents of Ma'alot, for example, pay an inter-city rate to speak to nearby Nahariya. The increase in the length of inter-city units will take a few weeks to be implemented in all phone exchanges.

Gur to be honoured by Rehovot AACI

Jerusalem Post Reporter

Health Minister Mordechai Gur is tomorrow due to receive the first annual Good Citizenship Award from the Rehovot branch of the

Association of Americans and Canadians in Israel.

The award is for achievement of national and/or international stature and for good citizenship.



Police inspect the gap on the wing of the British Airways Tristar which lost a flap on an unscheduled landing at Athens airport yesterday. The plane was diverted to Athens because of technical problems during its Tel Aviv to London flight. The plane's 315 passengers were due to arrive in London late last night - 11 hours behind schedule. (Reuters telephoto)

Nature society monitoring Chernobyl's effect on birds

By JUDY SIEGEL
Jerusalem Post Reporter

Anyone finding the carcass of a migratory bird should report it to the Society for the Protection of Nature, which is conducting a study on the effects of the Chernobyl reactor disaster on birds from Eastern Europe.

The Society has just set up a migration observation point one kilometre north of Kfar Kassem on the trans-Samaria highway. It will be open between 10 a.m. and 2 p.m. for the next two months during the autumn migration season.

Any dead migratory birds, especially predators, found in Israel should be brought in a plastic bag to the zoological garden at the Tel Aviv University or the Society for the Preservation of Nature should be contacted (telephone 741661 or

741784 in Jerusalem).

The Society's scientists are also planning to catch birds to determine whether they carry radiation from the Soviet reactor disaster. They are also eager to find out whether the numbers of birds that usually fly over Israel from Eastern Europe and Western Asia towards Africa is less this year due to the nuclear accident. It is believed that the reactor meltdown, which took place in April, has affected the birds, because it occurred during the peak nesting season.

Millions of birds, large predators as well as smaller songbirds and storks, pass over Israel in the migration season to reach warmer southern climes. Thus Israeli scientists are well-placed to determine the biological effects of the nuclear accident on the migratory flocks.

World experts on eye ailments convene in capital this week

Jerusalem Post Reporter

An international symposium on ocular circulation and neovascularization - relating to problems that cause blindness - will be held in Jerusalem this week in memory of the late eye specialist Prof. I.C. Michaelson.

Sessions will be held at the Van Leer Institute, and President Herzog will speak at the opening event this morning.

About 100 of the most prominent eye specialists in the world, representing 25 countries, will attend. Some of them studied under Michaelson, who died four years ago. It is the first international symposium devoted to this specific field. Health Minister Mordechai Gur

will also take part.

Among the subjects to be discussed is a new treatment that may bring about a revolution in dealing with blockages in the veins of the eye and saving sight when this has up to now been lost. Treatment of eye problems caused by diabetes, including the use of lasers, will also be discussed.

Tomorrow, a medallion bearing the likeness of Michaelson will be presented to Prof. Arnel Patz, regarded as the most outstanding expert in his field, who heads the eye institute at Johns Hopkins University Hospital. The medallion will be presented by the Israel Academy of Sciences and Hadassah's medical school.

Technion president lectures in China

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA - Technion President Prof. Josef Singer was yesterday due to complete a two-week visit to China at the invitation of a leading Peking aeronautical scientist.

During his stay, Singer gave several lectures, speaking on the aircraft industry in a small country and the buckling of shells in aircraft and rocket frames. Singer, an aeronautical engineer, is an expert on both subjects.

He served as vice president of Israel Aircraft Industries (IAI), where he was in charge of the Kfir fighter project, and was recently appointed chairman of the IAI board. He has specialized in shells and has done research on their buckling both for the U.S. Air Force and Nasa, in the Technion's Aeronautical Engineering Faculty. Some of his work was incorporated in Nasa's Apollo rocket project.

Technion vice president Michael



Josef Singer

Schussheim told *The Jerusalem Post* yesterday that Singer had been invited to Peking by Prof. Ji Wenmei, president of the Northern

Polytechnical University, who is also president of his country's Society of Aeronautics and Astronautics in China.

Singer is the current president of the International Council of Aeronautical Sciences.

He is due to end his four-year term as Technion president at the end of September, and went to China as part of a seven-week tour to Technion Societies in England, France, Japan and the U.S.

A year ago, two Israeli aeronautical experts attended an international congress on "air breathing" jet engines in China. It was apparently that visit that aroused Chinese interest in Israeli know-how in the field.

One of them, Prof. Ya'acov Timan, told *The Post* on his return that he had been deeply impressed by the advances made by Chinese science and technology and said that the Chinese might be interested in what Israel has to offer them.

Nahal outpost to be handed to civilians today

Post Defence Correspondent

The Nahal outpost of Beit Ha'arava is to be declared a civilian settlement tomorrow - the first such to be established in the Jordan Valley in the past seven years.

Originally a kibbutz set up on the northern rim of the Dead Sea in September 1939, Beit Ha'arava was abandoned in May 1948 when Jordanian troops occupied the area.

Nahal - the wing of the Israel Defence Forces that combines army service with farming - has established 133 settlements that have eventually been turned over to civilians.

But recently, due to a slash from \$40m. to \$14m. in settlement funds, fewer and fewer such outposts have been established.

Over the past two years, since Yitzhak Rabin has been defence minister, no Nahal settlements have been set up in Judea and Samaria, the major effort going instead to the Arava, and other areas bordering on the confrontation states.

Kibbutzim ordered to stop raising pork

JORDAN VALLEY (Iim). - Kibbutzim in the Jordan Valley and the Beit She'an area have been ordered to stop pig breeding immediately, as it is illegal.

The order was issued by Interior Ministry Northern District representative Amos Kalazi, who also protested to Ze'ev Shor, chairman of the Jordan Valley local council, about the illegal activity in his area. Shor, promising immediate action, said the pig breeding had been taking place without his knowledge.

The lady who helped to train an air force

By GREER FAY CASEMAN
Jerusalem Post Reporter

When the KiteX-Hotex international exhibition of hotel and catering equipment opens today at the Tel Aviv Hilton, those in the business may be surprised by the presence of veteran Israeli pilots and farmers. They will be there to greet one of the participants, a dynamic grey-haired woman who was responsible for training the nucleus of Israel's air force, and who later played a prominent role in the country's agricultural development.

Elyon Rudnik Falk, one of 11 children born in California to a Russian immigrant meat-packing entrepreneur, learned to fly during World War II. Not long after the war, she was the owner of an airfield with a fleet of planes which at one time numbered over 60.

An enterprising business woman since her youth, when she dealt in horses and raised lambs, Falk invested her savings in real estate and in surplus war planes which were practically falling apart. Trained as a mechanic during the war, she had no trouble repairing the planes and selling them at a healthy profit.

In 1947, she was approached by Hagana emissary, Moshe Goren, later to become a general, who said that he had an interesting proposition for her.

She took him up in the air so that they could talk without being interrupted, and he explained that the Jewish people was about to create its own state, but didn't have an air force. Would she be prepared to

offer training? With the impact of the Holocaust still fresh, Falk was only too happy to help.

The course at her Bakersfield air base opened in March 1948. Three months later 13 pilots graduated. Looking back, Falk does not recall being aware that she was changing the face of history.

Her passion for planes later made her a charter member and president of the International Helicopter Association. But, in love with the challenge of creation, Falk went on to experiment in desert farming in California, and has won many prizes for her fruit tree and crops.

Five years ago, on a trip to Israel, she met Shlomo Tamir who had developed a new water purification system. They joined forces and set up Triple O International, of which she is president. The company is participating in the KiteX-Hotex exhibition.

Among her more off-beat achievements is the establishment in Bakersfield of a psychiatric hospital. Annoyed that moneyed people who "were as crazy as hell" were regarded by society as only mildly eccentric simply because they could pay their way, Falk decided to help mentally ill people in Medicare programmes "whom no one else wanted," so she built them a facility.

Falk also has a personal connection with Israel. Her paternal grandmother came here from Vilna in the early years of the century, settling in Jerusalem's Nahlat Shiva quarter, and is buried on the Mount of Olives.

Despite the erosion of the hyphen, it's Tel Aviv-Jaffa

Tel Aviv's history is like the sand dunes upon which it is built.

The natural elements - wind, rain and sea - erode the dunes, building them up and flattening them out.

Natural elements, too, are eroding Tel Aviv's history. Apathy and forgetfulness, ignorance and - as so often happens when land is involved - greed, are the elements building up and flattening out the city's history.

Mayor Shlomo Lahat is forever reminding his audiences that he is the mayor of Tel Aviv-Jaffa.

That hyphen is as real as Tel Aviv's Dizengoff and Jaffa's port. But it's as eroded as the sand dunes beneath the city's sidewalks. It's a specific place, Tel Aviv's southern neighbourhood, Jaffa's most northern, and it's where Tel Aviv began, long before Meir Dizengoff, long before Herzl knew the word Zion.

Nowadays, that hyphen is in the midst of a no man's land of tin-



Robert Rosenberg

walled industrial creep and small businesses along Rehov Eilat, not far from the Nechushtan elevator works.

The hyphen is a neighbourhood originally built by American Christian Zionists who came to the Holy Land from Jonesport, Maine in 1866.

The middle of the hyphen, the absolute centre of Tel Aviv-Jaffa is a stone and cement gateway, the wood of its arch rotting away.

That arch was once the entrance to Tel Aviv's orange groves, which stretched from northeast of Jaffa, to what would eventually be known as Holon, and beyond.

Peter Ustinov's father, a White Russian baron, built a graceful mansion that overlooked that arch and those groves.

A block away, through an empty lot full of worn mattresses, and broken machinery, plumbing and furniture, Eliyahu Golomb, later to become commander of the Hagana, built a two-storey flour mill, breaking the Arab monopoly on flour.

Another block away is the building that served as British CID headquarters, where the interrogations took place. Golomb was interrogated there, two blocks away from where he helped create Jewish independence with a flour mill.

The British used the tiny, barren cellar of the Jerusalem Hotel, located behind CID headquarters to place prisoners in solitary confinement.

Later the hotel was to become an absorption centre for DPs from Europe - camp survivors and

orphaned children brought by Youth Aliya.

This hyphen was once known as the American Colony, named for the Americans who came to the Holy Land believing that the Jews would follow and the Messiah would then come.

But in a 1918 map of Tel Aviv, the American Colony was already being called the German Colony, for the Americans didn't last much longer than a generation. Yet in that generation they built what, even today, despite all the rotting wood and broken windows, is still an area porched and shuttered and portalled and mantelled in the way that any Maine quarter in the middle of the last century would have been.

(The real German Colony - where the German consul had his house - was a few blocks to the northeast, and called Valhalla.)

Across the street from CID headquarters, where Rosh Indiani now has a warehouse for its clothing wares, is the second of four sites where the Herzliya Gymnasium made Jewish history as the first Hebrew high school in Palestine.

The first site of the Gymnasium was built in 1906, and is a few blocks away. Nowadays it's a trash heap in an empty lot between a Discount

Bank branch, which was once Meir Dizengoff's office, and a new Jaffa nightclub. There's no roof left on the building of the school's second site. When you push open the thick - and like so much else in this neighbourhood, rotten - wooden doors, you discover that all that's left is a facade and a concrete stairway to the sky.

The third site of the Gymnasium is underneath Migdal Shalom. The fourth site is a couple of blocks off Kikar Hamedina. That's progress.

In the midst of the American Colony is a white, steeped Lutheran church. Its windows are all stained glass, and there's a beautiful old organ.

Across the street from the church is the Immanuel House Hotel, as old as the Jerusalem Hotel, which was built when the Turks were in charge here. Its walls are clean stucco, its window frames are painted in pale pastels.

In the backyard there's a parking lot and a garden. Once a week, or once a day, somebody comes out of the hotel and rakes the gravel-and-dirt parking lot clean of the leaves falling from several, century-old trees shading the street.

Next door is the Jerusalem Hotel. Above its main portal is a stone arch proclaiming: "Thou shall call thy

gates praise!" in English and German. Through the barred windows, the multi-coloured, patterned floors are covered with dust and dirt and broken pieces of wooden ceiling slowly collapsing onto the floors where DPs slept in the lobby because there was so little space.

Somewhere in City Hall there's a detailed plan for the American Colony to become what the city calls "an entertainment centre," with courtyard cafes, galleries, bookstores and restaurants, a small museum and maybe even a small theatre in one of the large buildings.

But just past Golomb's flour mill, the broken arch into the one-time orange grove, Baron Ustinov's empty crumbling palace with its 10 arches and its view all the way to Holon, Rishon, and beyond, is the industrial creep.

Except for the Lutheran-owned buildings, it is the Israel Land Administration which controls all the American Colony, because officially its buildings are abandoned properties.

The city engineer has to condemn the buildings, but he can't offer them to entrepreneurs to do something with them.

Only the ILA has the authority to do that, and the ILA apparently

wants the American Colony to be swallowed up by the tin-walled garages, the ironmongers and the junkyards, which it hopes will magically turn into full-fledged factories able to pay big rents.

After all, industrial properties are much more valuable to the ILA than small entertainment businesses. The ILA, which controls 97 per cent of all the land in Israel, is responsible for land prices being what they are.

So meanwhile, all that stands in the way of the ILA is the Lutheran Church and a squatter's family holding out for their dream of a penthouse.

So let's give thanks to the Lutheran Church, which is preserving a little bit of Tel Aviv's history. Which is more than the authorities are doing. Maybe because, unlike the case of Gan Meir, nobody will demonstrate for Tel Aviv's American Colony.

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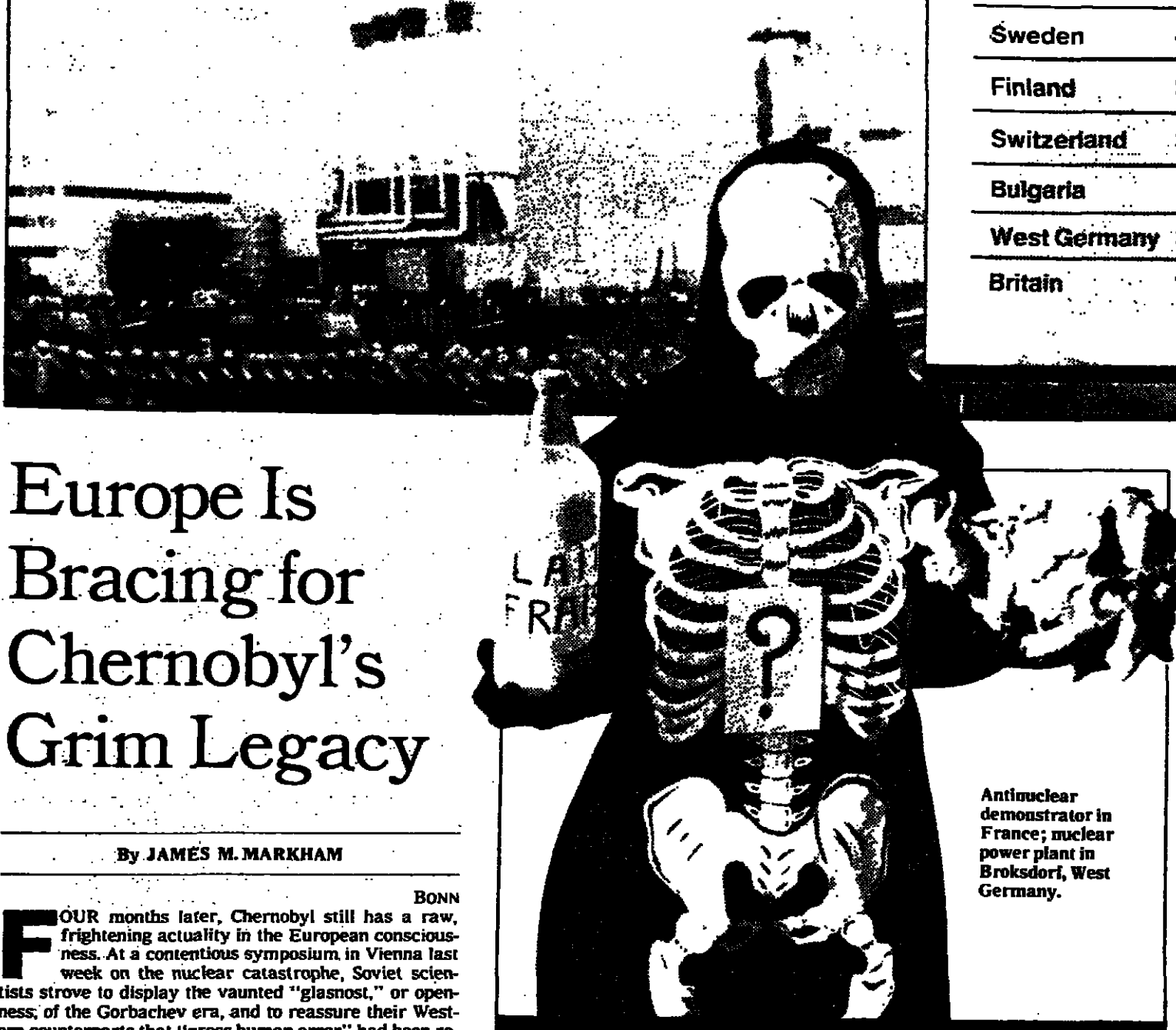
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Nuclear Nightmares



Europe Is Bracing for Chernobyl's Grim Legacy

By JAMES M. MARKHAM

FOUR months later, Chernobyl still has a raw, frightening actuality in the European consciousness. At a contentious symposium in Vienna last week on the nuclear catastrophe, Soviet scientists strove to display the vaunted "glasnost," or openness, of the Gorbachev era, and to reassure their Western counterparts that "gross human error" had been responsible for the explosion that waited poison and fear over the Continent. But the Russians were obliged to concede that design shortcomings in the graphite reactor had played a role. Their Western questioners concluded that even the projected modifications to the outdated Chernobyl-type plants would not make them safe.

It was not a cheerful conclusion for West Europeans, whose frontiers are open to the winds, nor for East Europeans, some of whose governments are in the midst of expanding nuclear capacity with Soviet reactors. On both sides of the ideological divide, nuclear power is stirring grass-roots opposition of unmeasurable force. The anti-nuclear camp seems likely to be strengthened by conflicting estimates by Western scientists in Vienna that 5,100, 24,000 or even 40,000 Russians—and 2,000 to 6,000 West Europeans—would eventually die of cancer attributable to Chernobyl. Yet the jettisoning of atomic energy poses powerful dilemmas for Europeans aroused by eco-

BONN

logical damage caused by burning oil and coal, and yet keen to hang on to their prosperity.

Attitudes on Chernobyl and nuclear power vary from nation to nation, but nowhere are they murkier than in the Soviet Union. A glimpse was afforded last week by a series of unusually frank articles in an Estonian-language Communist newspaper, which reported a spontaneous strike by several hundred Estonians who had been conscripted to decontaminate the Chernobyl area. The newspaper recounted their grueling, 14-hour days in gas masks, with some falling sick from radiation exposure and others anguished that they might return sterile to wives or fiancées; it alluded to brutality in the handling of the conscripts as they washed down trees and houses and dug up contaminated topsoil. The articles may have been intended to dampen alarmist rumors in

Plugging in

Electricity from nuclear power (in percent)

U.S.	16.0	Czechoslovakia	14.6	Denmark	0
France	64.8	East Germany	12.0	Greece	0
Belgium	59.8	Soviet Union	11.0	Luxembourg	0
Sweden	42.0	Netherlands	6.0	Norway	0
Finland	38.2	Yugoslavia	5.5	Poland	0
Switzerland	34.3	Hungary	5.0	Portugal	0
Bulgaria	31.6	Italy	3.6	Rumania	0
West Germany	30.0	Albania	0	Austria	0
Britain	19.3				

All figures are for 1985
Source: Atomic Energy Forum

Estonia, but they were also a chilling reminder that the Soviet Union is still grappling with fallout.

In East Germany, a tiny antinuclear movement sheltered by the Protestant churches has been emboldened since Chernobyl. The synod of the Evangelical Union Church in Potsdam declared that Communist information policy had spread "widespread insecurity," and it urged a public debate on the dangers of atomic energy. A petition signed by 140 citizens, delivered to the East German Cabinet, called for abandonment of plans to build a new nuclear plant at Stendal and expand one at Lubmin. Erich Honecker, the East German Communist chief, even offered a faint nod to antinuclear sentiment, telling a Swedish newspaper that "atomic energy is not the last word." There has been similar popular unease in Poland, Hungary and Czechoslovakia, where planners hope to cut choking pollution in Prague and other cities through a fivefold increase in nuclear power in the 1990's.

Some Soviet affairs analysts say that Mikhail S. Gorbachev's latest extension of the Soviet moratorium on nuclear testing is aimed not only at putting the Reagan Administration on the defensive in pre-summit maneuvering but also at defusing West European anger over Chernobyl. In Sweden, which took a heavy dose of radioactivity, the disaster has given a push to a 1980 referendum decision to close a dozen reactors by 2010; before Chernobyl, the mandate's enforceability had seemed in doubt. Now 100,000 Swedish reindeer, having eaten radioactive lichen in Lapland, must be killed, endangering the livelihood of 15,000 Lapps. "The Chernobyl accident has spread radioactive iodine and cesium over our fields, forests, moors and lakes," lamented Prime Minister Ingvar

Carlsson. "Nuclear power must be got rid of."

Across Western Europe, nuclear plants have come under nervous scrutiny. Spain decided to close temporarily the Asco II reactor near Tarragona in the north-east, because of 16 minor accidents since it went into operation in September 1985. In Britain, the controversial Sellafield reprocessing plant in Cumbria was shut down for five days after it was found to be dumping unacceptable levels of radioactive effluent in the Irish Sea. And last Sunday, a valve malfunction at the new French plant at Cattenom, on the German frontier, led to flooding that will probably delay its inauguration by several weeks. The accident at Cattenom was front-page news for several days in West Germany but received only meager attention in France, where national policy has long been to increase dependence on nuclear power.

Antinuclear feeling runs strongest in West Germany and Austria. Last week, at a party congress in Nuremberg, the opposition Social Democratic Party abruptly reversed course and pledged to abolish atomic energy in a decade. Recalling that Social Democratic governments had turned on 17 of West Germany's 20 nuclear power plants, the center-right Government of Chancellor Helmut Kohl denounced the pledge as opportunistic aimed at the national election in January. The Social Democratic state government in North Rhine-Westphalia has already refused to approve a completed fast-breeder at Kalkar that was built with German, Dutch and Belgian financing. In Bonn, the trauma of Chernobyl led to the creation of a Ministry for Environment, Nature Protection and Reactor Security, which ordered a strict review of containment facilities at all plants.

Austria narrowly renounced nuclear power in a 1978 referendum that scrapped a reactor at Zwentendorf, outside Vienna. The fervor of Austria's well-organized antinuclear movement, supported by Roman Catholic bishops, is now aimed at halting construction of a West German reprocessing plant at Wackersdorf in neighboring Bavaria. The controversy has prompted high-level meetings, including one between Chancellor Kohl and Chancellor Franz Vranitzky. In September, antinuclear activists plan to enter Bavaria with a campaign called "Loving Greetings from Austria," in which men in lederhosen and women in dirndls, accompanied by oompah bands, will distribute strudel and leaflets. "People have understood since Chernobyl that radiation penetrates frontiers," said Freda Meissner-Blau, the leader of Austria's ecology movement. "We want to penetrate them, too."

Two Schools Of Thought On Libya

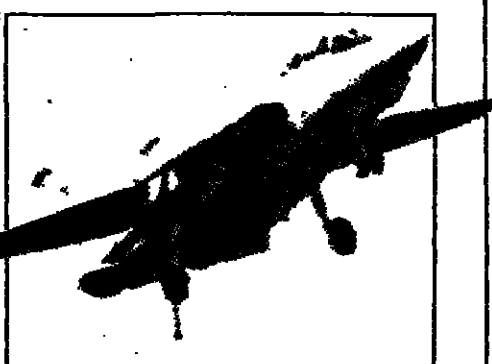
By BERNARD GWERTZMAN

AFTER staying out of sight most of the time since the United States bombed Libya in April, Col. Muammar el-Qaddafi began to reappear in public again last week, playing host to visiting leaders and appearing at a rally in Tripoli.

Coincidentally or otherwise, the Reagan Administration began to focus new attention on the Libyan leader and on what new terrorism he might be plotting and how to deal with it. But the immediate product of the concern was a wave of huggemonger among Administration officials.

President Reagan had decided in July to send a signal to Colonel Qaddafi, warning him that the United States was ready to retaliate again. But there had never been a firm decision on exactly how to transmit the message, and as often happens in the Reagan Administration the signal was scrambled by too much internal static, producing a series of allegations, denials and counterdenials about Libya—and considerable confusion. By week's end, the only undeniable development was that Vernon A. Walters, the widely traveled former deputy C.I.A. director who is now chief representative at the United Nations, was to leave today on a trip to Europe to discuss Libya with the allies. Mr. Walters is supposed to share with them the new intelligence findings on Colonel Qaddafi, and to urge them to take new economic sanctions, such as cutting back on Libyan oil imports.

The Libyan issue arose last weekend with the start of Egyptian-American air and naval exercises off the Egyptian coast in the Mediterranean, which produced the inevitable speculation that something was afoot against Tripoli.



F-14 fighter taking off during Egyptian-American exercises last week.

Then, on Monday, The Wall Street Journal gave front page prominence to a report of a new Administration plan to take military and other action against Libya. The White House spokesman, Larry Speakes, told reporters in Santa Barbara, Calif., that the Journal story was "authoritative." This was as close to endorsing a story as a spokesman usually goes, and the result was more front page stories and a spate of television reports about a possible new confrontation with Libya.

But Mr. Speakes' confirmation produced dismay in Washington, not only among senior State Department and Pentagon officials, but also among National Security Council aides, who charged that Administration policy toward Libya was being distorted. The truth, they contended, was that there was "no hard information" of new Libyan terrorist activities. This seeming rebuke was in turn challenged by Mr. Speakes, who claimed that in fact there was hard information about Libya and that senior officials agreed that it was good to have the story out so that Colonel Qaddafi would not make any miscalculations.

Colonel Qaddafi, meanwhile, was probably enjoying Washington's embarrassment over another matter: He broke the American trade embargo by having a West German agent dupe British Caledonian Airways into selling Libya two European-made Airbus jets fitted with General Electric engines and American electronic equipment.

A Freakish Occurrence Claims 1,500 Lives

Cause, Effect and Death in Cameroon

By MALCOLM W. BROWNE

THE shores of Lake N'Gos in Cameroon are blanketed with lush vegetation nourished by rich volcanic soil, and the prime grazing land surrounding the isolated mountain lake has made it a modest population center.

But 10 days ago the life-giving volcanic lake turned life-taker, spewing a cloud of asphyxiating gas over a wide area and leaving at least 1,500 people dead and tens of thousands hungry and homeless.

Last week, food and medical supplies began to reach the survivors. With most of the dead already buried, volcanologists, geochemists, pathologists and other experts from the United States, France and Switzerland converged on Cameroon to try to learn what had happened.

The need to reconstruct the causes of the disaster was no mere academic exercise; Cameroon has been stricken by at least one similar incident in the past, and its people urgently need to know the extent of the present danger.

The gas cloud that created the crisis had disappeared as suddenly and mysteriously as it materialized. But there was strong evidence that the deadly gas had been carbon dioxide, which is not a poison: it kills merely by depriving its victims of oxygen.

Wherever deep crater lakes accumulate thick sediments of decomposing organic matter, gas forms and is dissolved temporarily in the water, or it rests in the pores of rocks, trapped under pressure like the invisible gas in a bottle of soda water. When the pressure is reduced—possibly because heat is forcing the gas to rise—the gas may, theoretically at least, be released in a sudden rush.

Although no mass asphyxiations from lake gas are known to have occurred in the United States, deep-water gases can pose lesser hazards. Scientists at the United States Geological Survey in Reston, Va., note, for example, that scuba divers have been warned against deep dives in Green Lakes State Park, near Syracuse, N.Y., because of high gas concentrations near the bottom.



Soldiers in Cameroon arriving at the village of Souboon on Tuesday.

Survivors reported that an explosion had occurred preceding the asphyxiating wave, and many had suffered burns. Eyewitness accounts spoke of a rotten-egg stench of hydrogen sulfide pervading the air at the time of the disaster.

Taken together, these facts suggested to scientists that an enormous volume of gas trapped in or under the lake floor may have been suddenly released as the result of a small earthquake, a submarine landslide or a burst of heat from volcanic magma that may underlie the lake.

Before leaving for Cameroon last week, Dr. Joseph Devine of Brown University, the American scientific mission's leading expert in the chemistry of volcanic lakes, said he believed that carbon dioxide suddenly released from lake floors had caused the disaster.

He believes the same substance—the ubiquitous household gas that bubbles up from mineral spring water, soda pop, champagne and every other carbonated liquid—was also responsible for a similar catastrophe he studied in Cameroon two years ago. In that incident 37 people died at Lake Monoun, some 60 miles southeast of Lake N'Gos. "People have also been suffocated in Iceland and Papua, New Guinea, after carbon

dioxide of volcanic origin became trapped in depressions similar to the lake craters in which the Cameroon incidents occurred," he said.

Dr. Devine's view seemed borne out Friday, when the chief French volcanologist at the scene of the disaster, Dr. Haroun Tazieff, reported that samples drawn from the lake were saturated with carbon dioxide.

Volcanic carbon dioxide has been claiming human and animal lives for as long as recorded history. Roman accounts tell of the mysterious deaths of flocks of sheep on the slopes of Mount Vesuvius. A curious aspect of these incidents is that the danger is always limited to a few feet above the ground. Carbon dioxide clouds have sometimes killed entire flocks of sheep but spared their shepherds, whose heads were high enough to project above the suffocating gas.

Even if scientists succeed in discovering the underlying reasons for the Lake N'Gos disaster—and this, they acknowledge, is by no means certain—Cameroon will still face the problem of preventing more mass asphyxiations. Little can be done to cap or change the chemistry of lakes; the only practical approach would seem to be to warn local inhabitants to stay clear of the broad, green craters. According to Dr. Tazieff, the risk of more bursts of gas from Lake N'Gos remains acute, and the return of residents "is absolutely to be prohibited." But even the risk of death may not dissuade local farmers and shepherds from returning to their fertile land.

California's stand, Soweto's rage

2

The World

Bolivia Calls Out the Army To Halt Marchers

For weeks, Bolivia has insisted it is in dire straits. It appealed to Washington for \$100 million to help replace revenues lost as a result of last month's United States Army-assisted crackdown on cocaine laboratories. And President Víctor Paz Estenssoro said the economy was already devastated by low prices for tin, the main legal export.

Last week, conditions got even worse. Mr. Paz Estenssoro's Government sent the army with tanks and planes to halt 7,000 unemployed tin miners who were marching on La Paz, the capital. Asserting that it was preventing extremists from provoking violence and subversion, the Government suspended civil liberties and arrested at least 162 people. Interior Minister Fernando Barthelemy said 100 would be exiled to jungle camps. The marchers were taken home in trucks.

Human rights organizations said 260 labor, political and church leaders had been arrested. The leftist-led Bolivian Labor Confederation called a 24-hour general strike to protest. Bused by \$246 million of losses last year at Comibol, the giant state mining company that was formed during Mr. Paz Estenssoro's first presidency in the 1950's, the Government announced it is laying off 15,000 miners, closing seven mines and leasing nine others to miners cooperatives. Troops patrolled the cities of Oruro and Potosí, south of the capital, where miners have been on strike for two weeks.

The President's austerity measures have cut inflation from 20,000 percent to 20 percent, and were rewarded in May with a \$107 million loan package from the International Monetary Fund. At week's end, the Reagan Administration said it was actively considering a new "bridge loan."

American Agents Stake Out Mexico

The principal trading between the United States and Mexico last week seemed to be in disagreements and protests involving illegal drugs. Mexican newspapers and politicians challenged the presence on Mexican soil of American narcotics agents. Said Senator Antonio Riva Palacio: "Mexico forcefully rejects any attempt to violate Mexican sovereignty in the pursuit of narcotics traffickers."

In Washington, officials of the Drug Enforcement Agency said it would keep its agents where they were needed, including Mexico, to help local governments catch traffickers in illegal drugs.

The exchanges followed — and perhaps were a consequence of — the arrest and reported torture earlier in the month in Guadalajara of an American agent, Víctor Cortez Jr. On Tuesday, Mexico announced that it had charged 11 state policemen with abusing authority and causing bodily harm in the Cortez detention, but avoided saying whether the agent had been tortured. The next day, however, Mexico seemed to be on the offensive again, as the Government said the American D.E.A. agents were operating in Mexico beyond the limits permitted by their diplomatic status. As a result, Mexico said in a diplomatic note, relations between the two countries are being harmed when agents encounter difficulties.

The U.S., the U.N. And Abortion

The United States had been the financial mainstay of the United Nations Fund for Population Activities for 17 years, until a dispute over population control in China got in the way. Anti-abortion activists, demanding that China soften its pressure — often implemented through abortions — for one-child families, persuaded the Reagan Administration to withhold part of its support from the fund last year. Peking denied it has been forcing abortions and objected strenuously to foreign interference. Last week, aid officials said the entire American contribution, \$25 million, had been canceled. That was less than one-fifth of the

United Nations fund's \$131 million budget for aid to 134 countries, including \$10 million for China. (It was a drop in the teapot for Peking, which spends \$1 billion a year on incentives and stern penalties, which have successfully slowed the growth of China's vast population of 1.2 billion.) And at any rate, said Rafael M. Salas of the United Nations fund, other donors have made up most of the lost money.

The National Right to Life Committee hailed the Administration's action as a blow against "a U.N.-supported program of compulsory abortion." Representative Jim Moody, a Wisconsin Democrat who heads a Congressional coalition on population, disagreed. "Bangladesh and Haiti and other similar countries will be the ones to suffer," he said, "in order to satisfy a purely American domestic political dispute."

Neighbors Say No To Contra Training

The Reagan Administration's plans to accelerate the fighting in Nicaragua are provoking opposition among Nicaragua's neighbors.

Administration officials have said that when \$100 million in new American military and humanitarian aid is finally approved, as expected, by Congress, they would like United States specialists to train the anti-Government guerrillas, or contras,



Billboard in China encouraging the one-child family.

in neighboring Honduras. Honduran officials were quick to say they would not allow this. Officials in Washington suggested that Honduran agreement could, in effect, be purchased with a new economic and military aid package now in preparation. Then Panama, geographically separated from Nicaragua by Costa Rica, said it would not permit the training of the contras on its territory. Last week, El Salvador joined in and said there would be no such training on its land, either.

There was some irony in this latest rebuff. The Salvadoran Government has received \$600 million in United States military aid to fight the rebels trying to overthrow it. And the United States support for the contras began as a tactic to block the shipment of arms from Nicaragua to the Salvadoran rebels.

Costa Rica, between Panama and Nicaragua, has not commented on the training issue.

The Reagan Administration didn't have much to say, either. But American officials said they did not take these objections as the last word, noting that this kind of operation is rarely acknowledged by Latin American governments. A State Department spokesman, Charles E. Redman, said "it's premature at this point to discuss how this aid [for the contras] might be implemented."

Richard Levine
James F. Clarity
and Milt Freudenheim

A Correction

Because of an editing error, an article in the World section last Sunday misstated the conclusion of a National Security Council document. Officials in Washington said the document, known as National Security Decision Directive 75, concluded that the United States had a limited ability to influence internal Soviet policy and should focus on influencing its external policy. Because of an error by United Press International, the caption under the photograph accompanying the article reversed the positions of two Soviet Embassy officials: Sergei I. Kislyuk, first secretary, was on the right; Igor B. Bulay, press officer, was on the left.

Verbatim: Keep Out

"We are not a nation of immigration and do not want to become one. It is simply impossible that the Federal Republic of Germany become a haven for all those who are in material need but are not fleeing from political persecution."

Chancellor Helmut Kohl

announcing measures to stem the flow of refugees, principally from the Middle East, Africa and South Asia.

Behind Gorbachev's New Style Is Some Substance

Kremlinology Comes In for Revision

By PHILIP TAUBMAN

NOT so many years ago, a clash of troops along the Chinese-Soviet border would almost certainly have provoked a tirade from the Kremlin. But when such an event was reported several weeks ago, the Foreign Ministry brushed it off with a few calm words. The low-key reaction was a measure of how much the style, and to some extent the substance, of Soviet foreign policy has changed under Mikhail S. Gorbachev. In this case, the desire for improved relations with Peking apparently dictated the muted response.

In the 18 months since he became the Soviet leader, Mr. Gorbachev has revamped Moscow's foreign policy machinery and launched a series of adroit diplomatic initiatives. Washington, unaccustomed to dealing with so active a Soviet leader, has found itself on the defensive at times. Eventually, according to some diplomats, Mr. Gorbachev's policies may force a major reassessment in the West about Moscow's geopolitical aims.

There is disagreement about the degree of change so far. The detention yesterday of Nicholas Daniloff, the Moscow correspondent of U.S. News & World Report, was a reminder of the sort of behavior that can still emanate from the Kremlin. Mr. Daniloff was picked up by agents after a Russian friend handed him a package that turned out to contain two maps marked "top secret." The seizure may have been in retaliation for the recent arrest in New York of a Soviet physicist who was charged with espionage.

"Gorbachev has energized Soviet foreign policy, there's no question about that, and the personnel changes have been quite stunning, but so far we're still looking for the beef," said a senior Western diplomat. Soviet officials, and a fair number of other Western diplomats, say they see beef in Moscow's overtures toward China and Japan, Soviet arms-control overtures (including the yearlong moratorium on nuclear testing), tentative diplomatic contacts with Israel, and efforts to increase trade ties with the West.

Mr. Gorbachev's first step was to clean house, installing Eduard A. Shevardnadze as Foreign Minister, then making Anatoly F. Dobrynin, the veteran Ambassador to Washington, a national party secretary and the Kremlin's key foreign affairs strategist. Most ranking Foreign Ministry officials were replaced and dozens of new ambassadors named. The new team, including Alek-



Markin file

sandr N. Yakovlev, formerly Ambassador to Canada and now national party secretary for propaganda, has produced a marked improvement in the articulation and promotion of foreign policy. Mr. Gorbachev is the first Soviet leader to understand the power of television and use it effectively to present foreign policy.

Following Mr. Gorbachev's lead, Soviet embassies around the world have shed some of their traditional bunker mentality and started inviting reporters in for briefings. Last week, a Soviet delegation, including a General Staff army colonel, met with editors and editorial writers at The New York Times to discuss arms control policies. The Deputy Chief of the Soviet Mission to the United Nations, Roland M. Timmerbaev, answered policy questions on the ABC News "Nightline" program. And in Moscow, instead of responding to every request for information with a grumpy "nyet," the Foreign Ministry now conducts an increasingly sophisticated dialogue with Western reporters.

In some areas, the new look has been matched by new substance. Few diplomats, for example, doubt Moscow's desire to broaden its economic ties. Soviet officials recently petitioned the secretariat of the General Agreement on Tariffs and Trade, which is capitalism's customs union, to give Moscow observer status at trade negotiations next month. The Soviet Union has also

floats the prospect of agreeing to joint ventures with Western companies. Hurting from the slump in oil prices, Moscow recently agreed to an Iranian request to help the Organization of Petroleum Exporting Countries stabilize prices by cutting Russian oil exports to the West.

In other areas, the record is more ambiguous. Mr. Gorbachev has moved cautiously toward improved relations with Washington, a process begun under his infirm predecessor, Konstantin U. Chernenko. In the pivotal area of arms control, Mr. Gorbachev has succeeded in enhancing Moscow's image with the testing moratorium, a willingness to accept on-site inspection of a test ban and his call for the elimination of nuclear weapons by the end of the century. Last week, Moscow did not react to two developments in Washington: the disclosure that United States would not violate the terms of the 1979 arms limitation treaty before a possible summit this year, and the end, without agreement, of talks between the two sides on regional issues that might come up at a summit. Reagan Administration officials said yesterday they also plan new proposals, closer to Soviet positions, on limiting nuclear missiles. Neither Washington nor Moscow has publicly shown all its cards, leaving open the question of whether Mr. Gorbachev is any more amenable to a deal than Mr. Reagan.

Soviet officials like to talk these days about "an interdependent world," a phrase that to some diplomats connotes a major departure from Soviet dogma about the inevitability of conflict between socialist and capitalist nations. A lot of Western capitals are waiting to see exactly what that means in practice.

Meanwhile, the overture to China sounded unambiguous in Mr. Gorbachev's Vladivostok speech last month, and a high-ranking Soviet delegation is scheduled to visit Peking for talks on trade. The two countries still have major unresolved political differences, however.

Moscow's willingness to talk with Israel, even if only about consular affairs, suggested a new flexibility and desire to expand Soviet influence in the Middle East peace process. Although Israeli officials say further talks are possible and described the meeting in Helsinki as a first step toward improved relations, Moscow said publicly the discussions would not be continued. Whether Mr. Gorbachev authorizes continued talks in private will be a good measure of how much Soviet policy in the region has changed.

Divestment Vote Crosses Party Lines

California's Tough Line on Apartheid

By ROBERT LINDSEY

IN AN unusual emotional gesture, most members of the California Assembly in Sacramento rose up Wednesday and applauded a black Assemblywoman from Los Angeles. For seven years Maxine Waters had been fighting for approval of legislation that would require the state pension system to dispose of stocks in companies that do business with South Africa. The Assembly had just given final approval to her bill, one of the strongest messages of disapproval yet to South Africa over its racial policies.

The legislation requires the divestment over the next four years of more than \$8.3 billion of investments held by state pension funds, and it paved the way for implementation of a plan approved earlier by University of California Regents to dispose of \$3 billion in investments held by the university.

Seventeen states have taken steps, in some cases limited ones, against South Africa because of its apartheid policies. It was disclosed last week that the Archdiocese of Baltimore will divest its holdings in companies that do business with the country — the first such step by a Roman Catholic diocese in the United States. The National Conference of Catholic Bishops next month will consider a similar nationwide action. But in the scope of its divestment legislation and the amounts involved, California's action dwarfs any previous effort in this country to use economic pressure on multinational corporations as a lever to persuade South Africa to change.

The vote was a triumph for Mrs. Waters and other black legislators, particularly Willie Brown Jr., the son of a railroad porter from Minnola, Tex., who, as Speaker of the Assembly, is one of the most powerful politicians in California. But, indirectly, the passage of the measure reflected the influence of another black California political leader, Mayor Tom Bradley of Los Angeles, and the realities of election-year politics in the most populous state. Virtually everyone, including Mrs. Waters, acknowledged that the pivotal event that led to approval of the sweeping divestment plan was a decision by the state's Republican Governor, George Deukmejian, to abandon his previous strong resistance to sanctions. He helped work out the language of the bill approved last week and has said he will sign it.

A conservative whose views on most issues closely parallel those of President Reagan, Mr. Deukmejian had until last month argued that selling off stocks could prove costly to the university and probably have little practical effect against apartheid. He vetoed a far less comprehensive divestment plan last year.

But, in a switch that shocked and in many cases angered Republican legislators and conservative members of the University of California Board of Regents, the Governor declared in July that since South Africa had not taken steps to end the oppression of blacks, it was time to move against South Africa. "We must stand up for freedom and stand up against violations of human rights, wherever they occur," he said.

Although Democrats praised the decision, the timing of Mr. Deukmejian's surprise announcement led some to suggest that it was at least partly motivated by political considerations. He is embroiled in an occasionally bitter campaign for re-election against Mr. Bradley, whom he only narrowly defeated in 1982. Although public



Displaced squatters in South Africa last week.

Eviction Notices Set Off Soweto

FOR months and even years, black activists have been withholding rents in South African townships as way of attacking the system of segregation and depriving local authorities, by latest estimates, of \$500,000 a day. Last week, the Government tried to evict the rent strikers in Soweto, the sprawling township near Johannesburg, touching off the most lethal 24 hours of urban violence there in years.

Defiant residents erected barricades and a grenade was hurled. The security police shot and killed at least 20 people and injured at least 98. A black local official was hacked to death by an angry crowd.

The authorities promised an investigation but the United Democratic Front, the big anti-apartheid coalition, demanded an independent inquiry as well as the right to hold a mass funeral. Such funerals are banned under emergency decrees.

Helen Suzman, a white member of Parliament and a leading opponent of apartheid,

visited Soweto and said witnesses had accused the police of "totally uncontrolled and undisciplined" random shooting. The Government rejected a demand in Parliament to debate the incident in Soweto.

For the first time since the latest emergency was declared on June 12, reporters were able to report on the violence in Soweto last week, because a court had invalidated some of the restrictions.

In another court action last week, a nationally known priest testified that he had been tortured during 11 weeks of detention. The Government denied it had abused the Rev. Smailiso Mkhatswa, the secretary of the national Catholic bishops conference, and said it would insure that he would not be mistreated in the future.

Reagan Administration officials, meanwhile, said last week that their latest candidate for Ambassador to South Africa is Edward J. Perkins, a black career diplomat who is currently Ambassador to Liberia.

opinion polls suggest that Mr. Deukmejian is popular, they have recently indicated that the Los Angeles Mayor is gaining on him.

In a period of generally solid prosperity in California, Mr. Bradley has had trouble finding issues on which to attack his opponent. Until last month he had been hammering hard at Mr. Deukmejian's opposition to sanctions against South Africa. Although there is no evidence that they were having an effect, protests on some college campuses last spring suggested that public concern over the issue was rising.

Scoring Some Points

By reversing himself on the divestment question, Mr. Deukmejian defused one of the few issues Mr. Bradley had found to use against him as well as score some points with influential black legislators, for whom the divestment issue was of great importance.

"I think a lot of it was political," Mrs. Waters said. "He was going to have to explain his position to voters between now and Nov. 4. He didn't

want the embarrassment of it." But, she said, other factors were involved, including the Governor's own sensitivity to discrimination based on his Armenian background.

Opponents of the divestment bill argued that the beneficiaries of the pensions were entitled to a maximum return on the funds and that the investment restraints would violate that right. Although Mr. Deukmejian angered some Republicans, most of whom voted against the bill, he is, for the moment, a hero among Democrats. "It takes a big man," Mr. Brown said, "to recognize that circumstances and new information should dictate a different decision."

Mrs. Waters, who could not attract even a single vote of support when she first introduced the divestment measure in Sacramento seven years ago, said she expected last week's action to persuade other states to act. "California has a big portfolio," she said. "People in other states have been saying that it's not practical to divest, that they might lose money if they did. Now they can say, 'Look, California has done it.'"

Peru's President Gets Static From the Military and a Bill From the I.M.F.

How Many More Cards Does García Have to Play?

By ALAN RIDING

PERU'S young President, Alan García Pérez, is by instinct a gambler, a man who believes that only through daring actions, such as limiting military expenditures and foreign debt payments, can he find the resources necessary to attack the acute domestic problems he inherited.

His audacity has paid off. Using money that might otherwise have gone on weapons or payments on debt, he has been able to slash inflation, promote a modest rise in real wages and prime economic growth after years of recession and to start addressing the plight of the urban poor and the long-neglected Indian communities in the Andean sierras. The political returns have been positive: Today, with the polls showing an approval rating of more than 70 percent, the 37-year-old social democrat is more popular than the day he took office 13 months ago.

But now the stakes are being raised, and the perils of political polarization at home and economic isolation internationally are growing.

The armed forces, which as recently as 1984 received 25 percent of the Government budget, are upset by cutbacks, including reduction from 26 to 12 of the Mirage fighter planes on order from France, and cancellation of a \$240 million contract with the Netherlands to renovate the Navy's flagship. Further, in private, army officers blame tightened controls on human rights abuses for their limited success in combating Maoist Shining Path guerrillas.

And two weeks ago, the International Monetary Fund, reacting to payment of only \$35 million of the \$192 million that Peru owes the fund, placed it on a short list of countries — along with Vietnam, Guyana, Liberia and Sudan — which will no longer receive credits. This action stirred fears that the World Bank and the Inter-American Development Bank might follow suit, cutting the country off from almost all outside resources.

President García's response on both fronts was typical. He moved quickly to reinforce civilian authority over the military, embarrassing them by mocking recent rumors of a planned coup d'état. And he stepped onto the balcony of his downtown palace to fill a wildly enthusiastic crowd that Peru's needs would continue to come before those of the I.M.F. and other creditors.

Yet, for the first time, his style of government is coming under attack from conservatives who believe he is risking long-term recovery in exchange for short-term political gain. Mr. García's fiery "anti-imperialist" rhetoric, they say, wins applause in the plazas, but alienates Western Governments and financial institutions that could help the country. "To recover from the crisis, we don't need speeches complaining and blaming others for our ills," the opposition magazine, Oiga, said last week.

Critics on the left and right and even some within his own party, the American Popular Revolutionary Alliance, accuse him of running a one-man show, surrounded by second-rate ministers with little independent authority.

"We're being governed by opinion polls on the President's popularity," an opposition politician said. "Everything is measured politically."

However, the President's supporters argue forcefully that, without Mr. García's charismatic leadership, Peru's fragile democracy could not have re-



Peru's President, Alan García Pérez; crowds in Lima protesting the recent decision by the I.M.F. (top); peasants in the Ayacucho region (left).

sisted the continuing assaults of terrorism, the interventionist instinct of the armed forces and the disenchantment of a chronically impoverished majority that had seen its living standards tumble dramatically since 1980. They credit Mr. García's ability to communicate with the people, using his oratory to educate and inspire, with holding Peru together.

"If I were here as a result of a coup, I would have no right to ask for your support," he told the crowd after the I.M.F. decision this month. "You elected me and you have an absolute obligation to be at my side at this hour. Democracy means to share and you must share this responsibility. How easy it would be to vote

every five years and see how the President gets burned. I won't be burned alone. I'll be burned with you all and all of you with me."

A senior Peruvian official said Mr. García's popularity has thrown the powerful Marxist United Left coalition onto the defensive and made a rightist military coup unthinkable, while his reassertion of Government authority has bought time to start addressing long-term national problems. "When Alan took office, inflation was running at over 200 percent, everything was speculation and no one thought more than one week ahead," he said. "Now at least we can start arguing about the long term."

The panorama remains bleak, with the challenges posed by leftist terrorists and narcotics traffickers still untamed, but the Government believes the key to the survival of democracy lies in combating extreme poverty. While the Government insists that it will seek an understanding with its foreign creditors, it remains determined to maintain its limit of 10 percent of export revenues for debt payments.

Last week, when the 1987 budget was announced, a good part of the \$3.7 billion due to be paid abroad by the end of 1987 was instead assigned to priority investments for agriculture, transportation, education and health.

Former President Lobbies to Make a Return

Marcos Still Manages To Cast a Shadow

By SETH MYDANS

NOTHING much happened in Manila last week while President Corason C. Aquino was away in Indonesia and Singapore. That was in itself an event, in view of widespread worries about a coup attempt or other trickery by supporters of the former President, Ferdinand E. Marcos. Jolted by unsettling incidents and rumors, the Philippines has become something of a nation of worriers.

When the power suddenly went off last month in the Manila Hotel on the anniversary of the assassination of Mr. Marcos's chief antagonist, Benigno S. Aquino Jr., the darkness seemed filled with images of Mr. Marcos. In the same mysterious way, the power had gone off the night after Mr. Aquino was killed as he returned to attempt a political comeback in 1983. Afterward, many Filipinos believe, the ghost of Ninoy, as Mr. Aquino was known, stalked Mr. Marcos until Corason C. Aquino, Ninoy's widow, triumphed in the February revolt after a disputed election.

Mr. Marcos did not capitulate easily. Now in exile in Hawaii, he has not sunk, as many hoped he would, into "irrelevance." He has resumed familiar tactics, slowly, methodically moving the pieces remaining to him, seeking small gains, opening options. For 20 years, his countrymen have called him, as Mrs. Aquino put it, "the most brilliant Filipino." So when they see him energetically regrouping his forces, old fears surface.

Mr. Marcos is remarkable among public figures for his toughness, imperturbability and apparent lack of sentiment. At the harshest blows, from the revelation of his fraudulent war record to the loss of American support, he showed no sign of weakness. Senator Paul Laxalt telephoned to say President Reagan had cast him adrift. After a long pause, Mr. Marcos replied, simply, "I am very disappointed."

Now he seems to have recovered from the depression he had acknowledged and is pursuing his legal defenses against charges ranging from political killings to financial fakery. He seems to be positioning himself to return. "I pray for the day I can come over," he told an interviewer. In private, he has urged supporters to tell President Reagan that "you want me back there."



Marcos loyalists in Manila in June.

Mr. Marcos has always worked in secret. All the more so today as, braving the disapproval of his American hosts, he denies any involvement. But apparently hoping to foster an atmosphere of instability that might eventually bring Mrs. Aquino down, he talks of the danger of a coup d'état and of a Communist takeover. But destabilization would also seem to be in the interests of other factions that are scrambling for advantage. Thus it is uncertain just who is behind any number of events, including the unsettling rumors about Mr. Marcos. Filipinos recall that throughout Mr. Marcos's rule Juan Ponce Enrile, was his Defense Minister. Mr. Enrile, who is still Defense Minister and has political ambitions of his own, also stands to profit by instability. Last week, he said that Fabian Ver, Mr. Marcos's top military aide, had been seen in nearby countries, traveling under a false passport, and that "he will always have intentions to come back."

Ragtag Rallies

After Mr. Marcos left, a ragtag band of loyalists began staging Sunday rallies in a Manila park, waving tattered posters and relaying telephone conversations with Mr. Marcos and his weeping wife, Imelda. They have staged sit-ins at the American Embassy, demonstrations and

radio broadcasts. And they have agitated quietly among disaffected members of the armed forces and civil service and ousted local officials.

Mr. Marcos was clearly involved in the failed coup and takeover of the Manila Hotel; transcripts of conversations by a telephone operator appear to show his prior knowledge and command throughout. More openly, his cronies have worked to hold together his New Society Movement, though it appears to be losing members.

According to unconfirmed reports, Marcos money is flowing to a variety of armed groups. However, the reports may be merely part of a tactic of rumormongering. Recently, rumors of his impending return, perhaps in a small plane to his northern birthplace of Laoag, have become more frequent. The rumors accelerated the night the lights went out. "Something big is up," whispered a pro-Marcos politician, telephoning a reporter. "This is it," another loyalist announced. A radio station telephoned Laoag to ask about air traffic. "The power in Laoag was off for 11 minutes, just time enough for a plane to touch down," said a jittery Filipino reporter.

When the lights came back on, it became clear that the rumors were false. But during the nervous hours of the blackout, the presence of the shadow of the former president had seemed real.

Italy's Mafia Trial Raises Anxieties

A Crowded Defense Table in Palermo

By ROBERTO SURO

ITALY'S attention will turn again this week to the courtroom in Palermo where 470 Mafiosi suspects are on trial. Prosecutors will be trying to solve the mystery of the Green Box, the Disappearing Key and the Missing Dossier.

When it was interrupted for summer recess early in August, the trial, now in its seventh month, seemed about to shed new light on one of modern Italy's more notorious crimes: the assassination of the country's No. 1 Mafia hunter, Gen. Carlo Alberto Dalla Chiesa.

The Mafia leaders are accused of ordering the 1982 murder of General Dalla Chiesa. The case fascinates a public that craves all the details it can get on exactly why the 62-year-old general was killed in Palermo on Sept. 3, 1982, as he was on his way to dinner with his 32-year-old wife, Emanuela.

He had been something of a national hero as a counter-terrorist officer in the 1970's. Then he was made the chief law enforcement officer in Sicily. His murder is widely seen here as a rare mistake in strategy by the Mafia leadership because it stirred revulsion and provoked more vigorous official anti-Mafia action, including of course the proceedings in Palermo.

The trial has provided an account of what is known and not known about what happened on the hot September night, when an eight-man Mafia hit squad is supposed to have fulfilled the murder contract, riddling the general and his wife with bullets, some of them from two Kalashnikov automatic rifles.

But why? Was it more than simple revenge? Many people, including the General's family, believe that the motive for the crime has yet to be fully explained.

The indictments leading to the trial, in which the assassination is one of more than 90 homicide cases being tried, says the Mafia leaders sentenced the General to death because he was probing the ties between the underworld and powerful

business and political interests.

Testimony at the trial added mysteries rather than clarifications, and there were new, strong allegations.

Both the General's and his wife's relatives testified that he felt isolated in his new job, that important figures in the Government were avoiding him and that he was being denied the extraordinary powers and resources promised when he accepted the assignment.

Some family lawyers have asked that Government leaders of that time be called to explain their treatment of the General.

More mysteries arose when the General's brother, Romeo Dalla Chiesa, provided the first detailed account of a conversation during which the General showed him a sheaf of papers and discussed apparent links between Mafia drug traffickers and Middle East arms merchants.

The Key and the Box

It is not known what happened to those papers or whether they were, as prosecutors believe, the general's dossier of a sensational investigation, but the trial has provided what might be clues to what happened.

Romeo Dalla Chiesa testified that the morning after the assassination he was with the magistrates and policemen who searched his brother's house. They went to a desk drawer in the bedroom where the general was known to keep the key to his strongbox, but the key was not there.

A week later, during another search of the house, the key reappeared. But when the safe was opened, one of the compartments was empty and another held only an empty green box.

A maid also told the court that she had overheard a conversation in which the General said to his wife, "if anything happens to me, you know where to find that which I have put down in black and white."

The day after General Dalla Chiesa's killing a scrawl appeared on the spot where the assassination took place, reading: "Here died the hopes of the honest people of Palermo." These hopes now await trial when the trial resumes.

The Nation

Speeding as A Right Reserved To the States

Western states have lobbied for the repeal of the 55 mile-an-hour speed limit since it became law after the Arab oil embargo in 1974. While the limit may make sense on the Beltway around Washington, D.C., they complain, it is not suited to the empty stretches of highway west of the Mississippi.

Last week they officially enlisted — or rather re-enlisted — a powerful ally. The White House announced that President Reagan had endorsed the repeal of the national limit "in principle." According to Senator Steven Symms, Republican of Idaho, Mr. Reagan wrote in a letter that "the time has come to restore greater authority to the states."

Repeal was a 1980 campaign promise Mr. Reagan did not pursue, perhaps because public opinion surveys indicated that most Americans approved of the law, even if they frequently flout it. The advocates of the 55 m.p.h. limit note that it saves fuel and lives — as many as 4,000 a year by some estimates. But studies have disclosed that the law is increasingly ignored.

This summer, the Department of Transportation announced that it would, as the law requires, withhold highway funds from Arizona and Vermont, where more than half of

tion. In June, three workers in the department were dismissed in the course of an inquiry into a leak 11 months ago of a report on the gross national product. This time, however, the department said that a preliminary examination suggested that the rumors resulted from acute forecasting rather than unauthorized disclosures.

As for the economic import of the reports, it weighed more negative than positive. A 1.1 percent increase in the leading indicators in July, the index's second-best performance this year, was undercut by a revision in the index for June that turned a three-tenths of 1 percent advance into a four-tenths of 1 percent decline.

And as the quarterly report on productivity showed the first decline in output since the 1981-82 recession, the nation's foreign trade deficit was reported to have jumped to \$18 billion in July, a monthly record.

The increase in imports of 7.5 percent and decrease in exports of 7.1 percent was particularly discouraging coming as it did at a time when the nation's trade balance had been expected to improve because of an 18-month fall in the international value of the dollar. With one of every four cars sold an import, the General Motors Corporation last week lowered its financing rate on 1986 models to 2.9 percent. Chrysler Corporation and then the Ford Motor Company followed suit, with 2.4 percent and 2.9 percent respectively.

A Racial Quota Case in Brooklyn

Starrett City in Brooklyn is a prime target in the Reagan Administration's fight against the use of racial quotas in subsidized housing. For one thing, it is one of the largest such projects in the country. For another, the department believes that the 6,000-unit complex, built in the early 1970's, offers a perfect illustration of how quotas can discriminate against minority groups.

In an unusual personal appearance in court, William Bradford Reynolds, Assistant Attorney General for Civil Rights, last week denounced a proposed settlement continuing restrictions on the number of black and Hispanic residents in Starrett City as "the worst kind of discriminatory practice," and a violation of the Fair Housing Act of 1968. The settlement, reached in 1984 after blacks who had applied to the middle-class housing complex sued, made more apartments available to minority applicants, but allowed the management to limit the proportion of minority tenants to 35 percent.

In the hearing before Federal Judge Edward R. Neaher in Brooklyn, Morris B. Abram, Starrett City's lawyer and a former Reagan appointee to United States Civil Rights Commission, predicted "white flight" if the ruling goes against the complex, creating "a segregated wasteland in a community of 6,000 units and 20,000 people." Mr. Reynolds said: "That it would destroy the neighborhood is exactly the same stereotypical type of argument used in 1968."

Like Texas, the Hunts Are Hurting

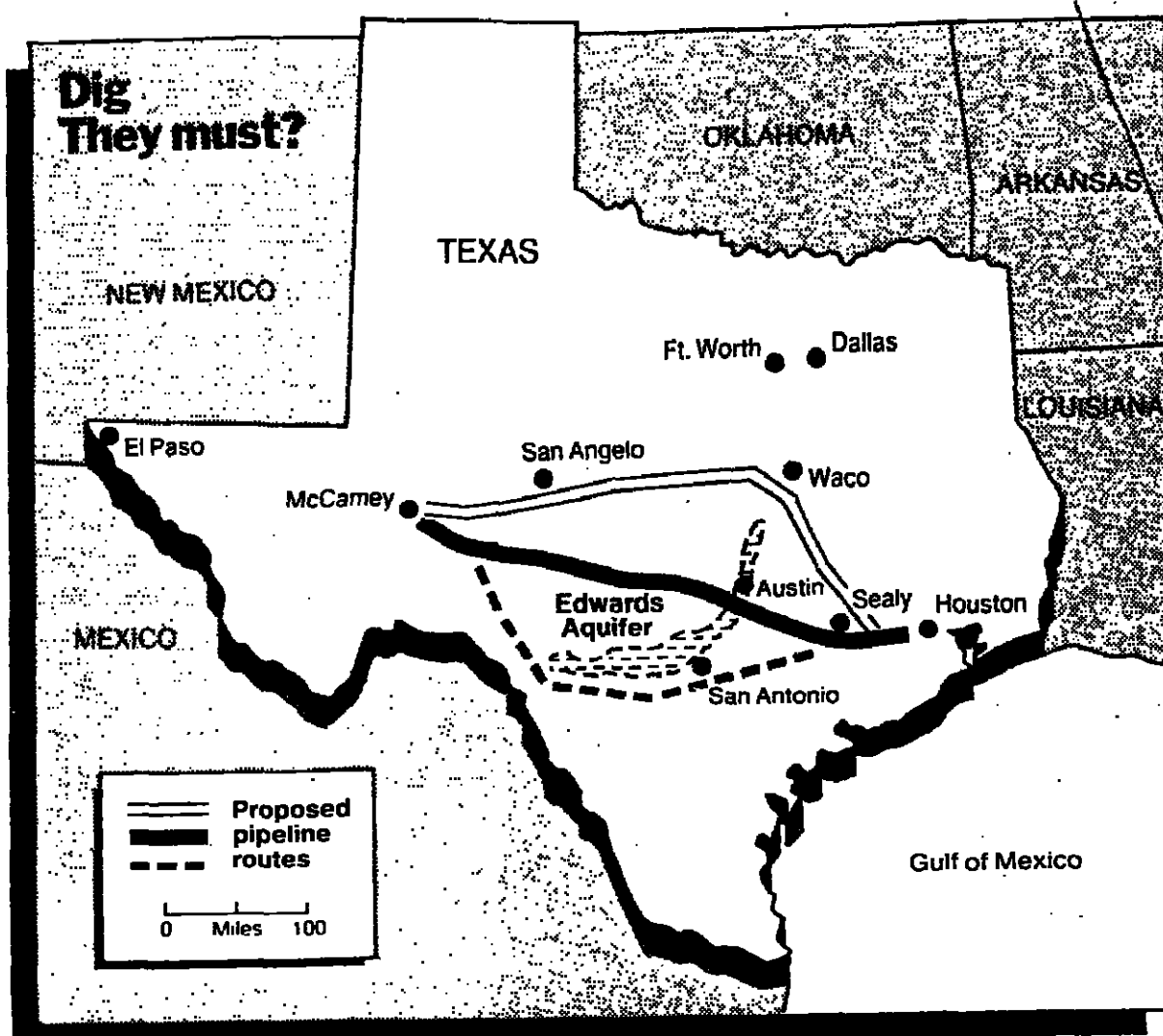
For decades, the ruins and rebirths of the late H. L. Hunt and his sons have been among the grand symbols of entrepreneurial ups and downs. Last week, they became symbols again, of decline of a region into what may be its darkest days. The flagship enterprise of the Hunt brothers — Nelson Bunker, W. Herbert and Lamar — filed in bankruptcy court for protection against its creditors, a victim of low oil prices.

The action kept the 23 lenders to the Placid Oil Company from moving ahead with imminent sales of oil and gas fields, land, stock and real estate. It also means that closely held information about the family's shrinking riches, estimated in 1980 to have risen to nearly \$10 billion, will be made public next month. Then, details of the condition of Placid, one of the largest privately owned oil companies in the nation, must be filed with bankruptcy court in New Orleans.

The Hunts' luck turned in 1980, after they had acquired a huge stake in silver, piling up \$1.2 billion in debt in what the Government later charged was an attempt to corner the world market. The price of silver fell, from \$50 an ounce to \$10. To cover their borrowings, the Hunts arranged a \$1.2 billion loan for Placid, making the oil company vulnerable when the world market for that commodity collapsed. With characteristic pugnaciousness, the brothers sued their creditors in June, charging that to get repayment the banks were conspiring to "dismantle and ultimately destroy" Placid and another of their principal investments, the Penrod Drilling Company, the world's largest off-shore drilling company.

Caroline Rand Herron, Katherine Roberts and Carlyle C. Douglas

Oil Pipeline From California Runs Into Resistance



To Some Farmers, at Least, Water Is Texas' Lifeblood

By ROBERT REINHOLD

OIL may be the economic lifeblood of Texas, but another liquid is perhaps ultimately more crucial — water. And there always seems to be either too little or too much of it.

Long before black gold was found under the Texas soil, water was the dominant fact of life and death in this region, and long after the last drop of oil is pumped out, water will impose the ultimate limits on life here. Throughout the arid American Southwest, the amount of available water controls how much the farms can produce, how many head of cattle can roam the land, the speed at which cities and industries grow.

This is the backdrop against which the bitter debate over the All American pipeline must be considered. It is perhaps the first time in Texas history that there has been such a direct clash between oil and water interests.

At issue is a pipeline being built by a subsidiary of the Ohio-based Goodyear Tire & Rubber Company that would carry Alaskan crude 1,768 miles from the West Coast to the huge refineries on the Texas Gulf Coast, presumably bringing new jobs to the slumping industry there. The trouble is that the huge, 30-inch pipeline, through which 300,000 barrels a day of heated crude oil would pass, is to traverse the Edwards Aquifer, an underground sea that is the sole source of fresh water to farmers, ranchers and cities from San Antonio in the south to the outskirts of Austin in Central Texas.

Temporary Cease-Fire

The fear is that a rupture in the buried pipeline could send huge amounts of crude oil seeping through the porous limestone, permanently contaminating an irreplaceable source of water. The company, which notes that smaller pipelines already face the aquifer, says there is little risk. But the issue has spawned a complex tug of war — not only between the ranchers and the pipeline company but also among politicians and compet-

ing state and Federal agencies.

For the moment there is a cease-fire. All sides have agreed to wait until the United States Bureau of Land Management completes a court-ordered environmental study. Last week, the bureau held the last of 11 hearings, this one in San Marcos, where the hearing hall was jammed with angry ranchers and farmers.

Few are closer to the issue than Maximo Michaelis, a third-generation Texas rancher. His 2,400 acres in Kyle slope over the southeast edge of the Edwards Plateau where it merges into the South Texas plain. He stands amid the buffalo grass, his prize white Charolais cattle loiling beneath the live oaks in the hot dry summer afternoon, and points to the thin topsoil. His land sits astride what is called the "recharge zone" of the aquifer, where rainwater seeps back into the ground through the creeks, draws and crevasses that crease the hilly land. The All American Pipeline Company, which has the power of eminent domain plans to cut the pipeline 3.5 miles through his property. "What if there is a spill?" Mr. Michaelis asks. "How are they going to clean it up?"

His neighbor, Lynn Storm, a rancher who is a retired petroleum engineer and a former district engineer for the Texas Railroad Commission, which regulates the oil-and-gas industry, agreed. "I have nothing against pipelines," he said, "but there are places where they should not go." Other pipelines in the area are just "little bitty bies" compared to this one. Mr. Storm calls it playing "Russian roulette with a lot of people's lives."

That the pipeline, most of which has been completed, is stalling over a mere seven-mile stretch that covers the recharge zone has startled Goodyear. "I'm surprised any objection at all was raised," said the company's chairman and chief executive officer, Robert E. Mercer. He said the pe-

to be monitored constantly by computer for leaks — would be a boon to the Texas economy, not only creating temporary construction jobs but also bringing new work to idled refineries near Houston. The pipeline is to bring heavy Alaskan crude to Texas refineries geared to handle it. California refineries lack the costly pollution controls required to process this type of crude, and the \$687 million pipeline would shortcut the tanker route through the Panama Canal, thereby saving \$1 a barrel, according to the company.

Goodyear is reluctantly considering a proposal to reroute the line north or south of the aquifer. Mr. Mercer points out that Goodyear employs 4,200 people in Texas in its chemical, tire-making and testing operations. "We did not come to Texas as strangers," he said, adding that he thought Texas politicians and bureaucrats were stirring passions for their own reasons. "To have this raised dismayed us," Mr. Mercer added.

But then, as Jim Hightower, Texas agriculture commissioner observed recently, "there was a time when attempting to poison a farmer's water well was a hanging offense."

New Budgets May Lead to New Strategies

The Military's More Modest Means

By JOHN H. CUSHMAN Jr.

AS they meet behind closed doors in the annual August ritual that will lead to the presentation this winter of another budget request, military leaders are coming to grips with an era in which few expect more than nominal growth in military spending. Its ambitions for continuing growth in military budgets shattered by Congress, the Pentagon now finds itself staring at a chasm separating what planners can afford and what strategists claim they need. According to military experts, the very national strategy that underpins the Defense Department's budget requests may have to change.

Legislation in the works will, for the second year in a row, turn down the military's requests for more money, instead reducing military spending, after accounting for inflation, from the peak it reached in 1985.

That year, the Pentagon's budget reached \$286.8 billion. It now appears that Congress will allow the budget for the 1987 fiscal year to reach only about \$292 billion, a figure that has not kept pace with inflation since 1985 and might be further reduced by cuts required by the Gramm-Rudman-Hollings deficit reduction law.

Hoping to Recoup

As for the future, the latest official plan came from the Office of Management and Budget in early August. According to the budget office, the Pentagon will try to recoup, seeking an increase of 3 percent above the rate of inflation in its 1988 budget.

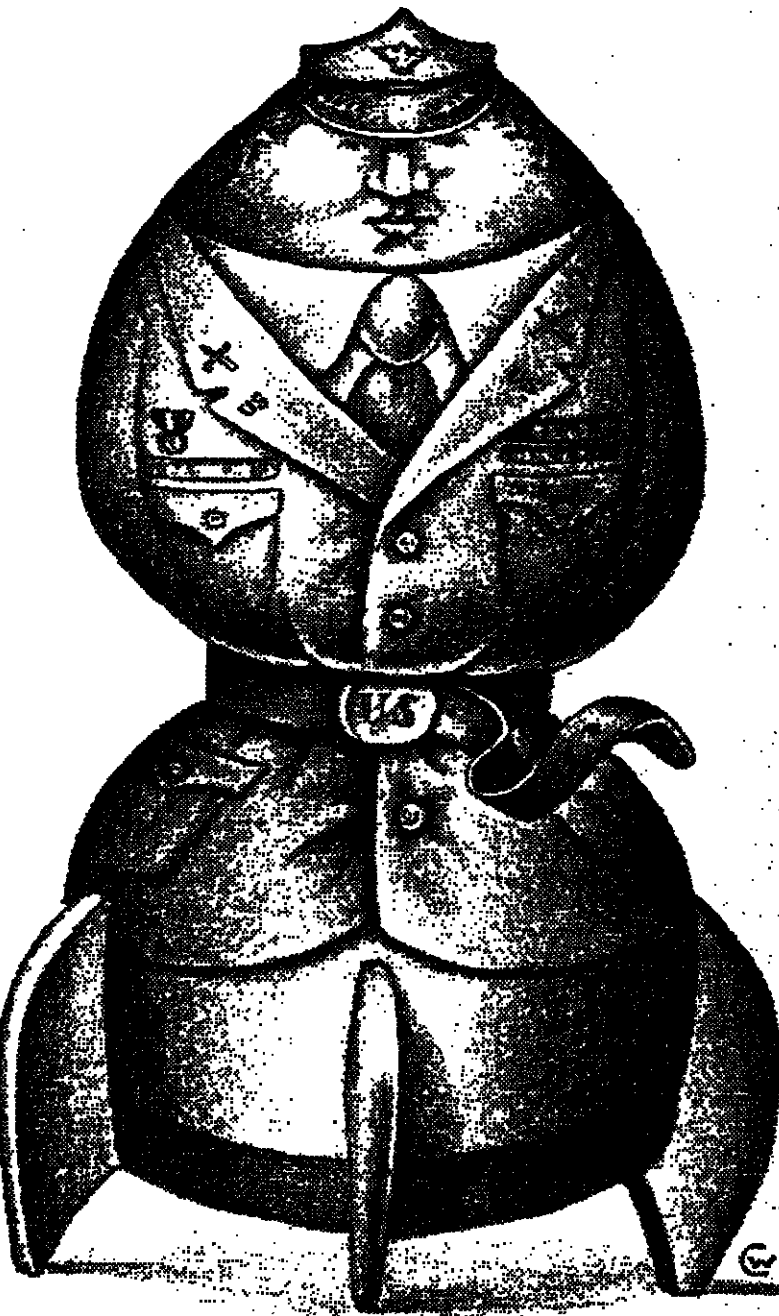
Meanwhile, most forecasts call for a few more years of zero growth in military spending, after accounting for inflation.

Adm. William J. Crowe Jr., the Chairman of the Joint Chiefs of Staff, has said that a continued budget freeze would mean reducing his spending plans by as much as \$300 billion over the coming five years.

And that, Admiral Crowe said, would "profoundly and adversely" change the strategic balance for a decade to come.

But critics contend that it is an ill-conceived strategy that has led to the Pentagon's budgetary bind. Better to change the strategy than to increase the Pentagon's budget, they say.

Joshua M. Epstein, a research fellow at the Brookings Institution in Washington who specializes in military budgets, is among those who



Charles Walker

point out that the Reagan Administration's military buildup was an attempt to carry out a revolution in the basic strategy that guided previous postwar administrations, both Republican and Democratic.

In the past, Mr. Epstein said, military planners followed a policy of deterring war through building offensive strategic nuclear weapons, and seeking readiness to fight, if necessary, a defensive war. But the Reagan Administration has tried to do much the opposite, he said.

Strategic defense, in the form of the Star Wars

initiative, has become a linchpin of the new policy, Mr. Epstein pointed out, while spending on offensive strategic weapons, like the MX and Trident missiles, has continued apace.

Meanwhile, conventional forces have been geared toward offensive operations with such dramatic changes as the expansion of the Navy's combatant fleet and the adoption of "deep attack" doctrines by the Army, which is developing expensive new technologies that will allow guided weapons to strike accurately far behind enemy lines.

Mr. Epstein and others contend that the Federal budget crunch has doomed this approach. The high cost of developing a conventional military capable of winning a sustained war is exceeded only by the immeasurable expense of designing a leak-proof defense against nuclear missiles, they say.

Moves by Senators Sam Nunn of Georgia, a Democrat, and William Cohen of Maine, a Republican, to shift funds from the Strategic Defense Initiative into high-tech conventional offenses do little more than "substituting one dubious expenditure for another," Mr. Epstein added.

A Long Time to Move

Few claim to know what new pattern the Pentagon will follow as it cuts a new strategic suit to fit its scanty fiscal cloth.

But at the least, most analysts agree, the budget process itself may be in for some changes.

"The current freeze on defense authorizations," said Georgetown University's Harlan K. Ullman recently, "over the longer term, will cause us either to make major and premeditated changes in the way we provide for the common defense or to accept a profoundly reduced military capability."

The Packard Commission, appointed by the President to suggest reforms in defense management, called this summer for "better long-range planning to bring together the nation's security objectives, the forces needed to achieve them, and the resources available to support those forces."

The budget request the Pentagon is now drafting will seek funds for two years, 1988 and 1989, in an effort to lend stability to the planning process. So far, though, there is little sign of a new strategy to match the new fiscal realities. "It takes a long time to move this building," a senior Pentagon policymaker acknowledged.

سجدة من الاله

The Yen Rapidly Comes of Age

It promises to rival the dollar as a global currency, despite Japan's misgivings.

By NICHOLAS D. KRISTOF

SOMETIME over the next year, Los Angeles County is likely to become the first American municipal government to borrow Japanese yen. It would thus join a host of big corporate borrowers, among them the likes of L.B.M. and Walt Disney, that are taking advantage of low Japanese interest rates to issue bonds in yen rather than in dollars.

"We would anticipate a better than 50 percent chance that within a year we would have yen-denominated debt," said Richard B. Dixon, Los Angeles County's treasurer.

The trend reflects the yen's emergence as an international currency—that is, a currency considered sufficiently solid and stable for central banks to hold reserves in, one that corporations raise capital in, one that attracts international investments. It becomes a medium for traders and investors everywhere, and not just the property of a single country. The yen has not arrived overnight, but by any measure it is gaining in importance, as befits the currency of the world's second-largest market economy and the greatest net creditor nation on earth.

The yen's dramatic 40 percent rise in value against the dollar since early 1985 has raised speculation that the yen might someday rival the dollar as the paramount international currency; that oil prices might one day be quoted in yen as well as in dollars, and that money changers from Bolivia to Poland will quote foreign exchange rates in both currencies. There is even speculation that the yen's surge could make Tokyo the next generation's financial center.

But that probably will not happen, in the view of many experts. Growth rates in the use of the yen are very high, but mostly because the currency was so little used in the past. While the yen is likely to overtake the German mark before long, and chip away at the dollar's dominance, nobody foresees the yen eclipsing the dollar as the leading currency.

"The United States dollar should still play the dominant part as the key international currency, with the yen maybe next to the dollar in a supporting role," said Hiroyuki Kasai, chief economist of the Bank of Tokyo in New York. Adds Scott E. Pardee, a former Federal Reserve official now vice chairman of Yamachichi International (America): "There's a certain inevitability in the yen becoming more of an international currency."

Here are some of the signs of the yen's rise:

• The proportion of Japanese exports billed in yen rather than dollars has risen from 1 percent in 1975 to 29 percent in 1980 to 39 percent last year, according to Japan's Ministry of Finance.

• Central banks around the world probably hold just under 10 percent of



Cathy Black

their official reserves in yen, or double the percentage of two or three years ago. This surge, which is partly the result of the yen's rise in value against the dollar, still leaves the yen well below the 50 percent or more of central bank reserves held in dollars. It is also below the 15 percent or so held in West German marks. But it already is triple the share of any other currency, including the British pound or French franc.

• The number of yen futures contracts traded on the International Monetary Market in Chicago jumped from just 1,790 in 1975 to 575,000 in

1985, more than twentyfold between 1983 and 1985, to \$6.8 billion from \$300 million. In the first quarter of this year, yen issues proceeded at an annual rate of \$22 billion—a sign of the enormous growth in the demand for yen. While much of the debt is swapped into dollars, a significant and growing proportion is being held in yen—a sign of confidence in the yen and further evidence of its emergence as an international currency.

• Yen worth more than \$65 billion are traded daily in the world's three largest currency markets, compared with around \$45 billion in marks and \$42 billion in pounds, according to a study by the leading central banks. The yen's share is also the fastest-growing.

The consequences of the yen's growing importance are manifold. Corporations, and perhaps even cities, may be able to borrow more cheaply in yen than in dollars. The big Japanese securities firms, like Nomura, Yamachichi, Nikko and Daiwa, will gain an advantage in the battle for supremacy of the world's capital markets, because of their expertise in the yen markets. And growing international demand for the yen is likely to add to the value of the yen against the dollar, thus keeping up the price of Japanese goods sold in the United States and other countries. That, in turn, would help to produce a revolution in Japan's economy as it adopts the painful and politically risky course of reducing its dependence on exports. This would be done by building factories abroad, thus switching production out of Japan, and also by fostering more consumption by the Japanese people.

"It will mean the restructuring of the Japanese economy," says Kichiro Yamamoto, general manager of Sanwa Bank in New York. "We are too dependent on exports."

Until recently, Japan's financial system was tightly regulated. Foreigners were excluded from the capital markets, exports and imports were denominated overwhelmingly in dollars and the Ministry of Finance put sharp restrictions on the international use of the yen. All of this helped

Japan, a nation whose growth depended on exports, to keep the yen's value low in relation to the dollar, thus making Japanese exports relatively inexpensive in dollar terms.

In the 1980's, however, Japan's by-now notorious success in world trade, coupled with the country's historically high savings rate, created an enormous pool of capital, more than the Japanese could invest at home. Last year, for example, they exported some \$65 billion in long-term capital, more than all the OPEC countries at the height of their wealth. The pressure of all this capital, combined with equally intense pressures from the Reagan Administration, led the Japanese Government in 1984 to begin to move toward deregulating the yen and the nation's capital markets.

Today, the Japanese Government professes a contentment with the growing international use of the yen, saving its diminished control over its currency with pride in the demand for it. But not everyone is happy. Many Japanese are concerned about the structural changes that a permanently higher exchange rate might bring about: lower profits, painful industrial transition and even unemployment, once virtually non-existent but now on the rise.

Later generations may look upon the integration of the yen into world commerce as a historical event, in part because of the manner in which it occurred. It used to be that a currency gained prominence because of its reliability and usefulness in international merchandise trade. When Britannia ruled the waves, the pound sterling was supreme in international commerce—and traded for \$9.92 in 1864. Then the dollar displaced the pound, which sank to a trough of \$1.03 last year. The yen's ascent, however, signals the rising importance of international finance in determining the international importance of a currency.

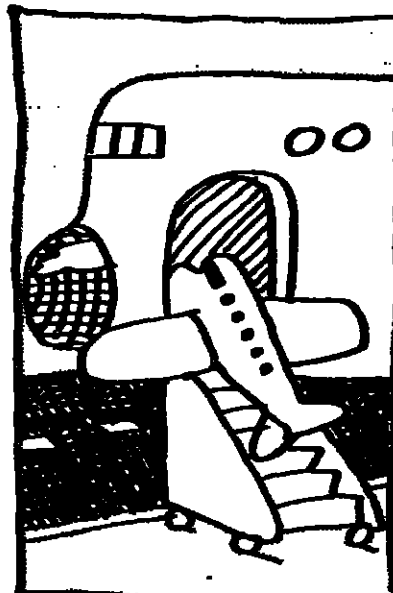
By most estimates, \$2 trillion or \$3 trillion in goods crosses international borders each year, compared with perhaps \$30 trillion in investment capital.

The Economy

WEEK IN BUSINESS

U.S. Tells Texas Air 'No' on Eastern Deal

A thumbs-down was given to the merger of Texas Air and Eastern by the Transportation Department. It said the combination would be anti-competitive, particularly in the Northeast Corridor, where Eastern's and Texas Air's New York Air shuttles compete. But Texas Air, which had planned to buy Eastern for \$676 million, said it is confident it can revise its plan to meet the Justice Department objections. Among the possible deals are a sale to Pan Am of more landing slots at La Guardia airport, which would remove the objections about the shuttle routes.



ket share: Chrysler announced a 2.4 percent two-year rate on many models, including some 1987 cars, and Ford was planning a program.

Wickes dropped its fight for Owens-Corning after Owens announced a restructuring that would include the sale of its aerospace and strategic materials group, and would load it with debt. The restructuring was aimed at fending off Wickes, which had offered \$74 a share, or about \$2.1 billion, for Owens. It worked: Wickes sold most of its shares, making a tidy profit on the deal.

Burroughs may sell Sperry's marine and aerospace unit. Analysts have expected a selloff of some Sperry assets after their \$4.8 billion merger. Among those interested in the unit are Honeywell—which said it would pay \$700 million for the unit—and Boeing, Chrysler and Litton.

The S.B.A. is safe, at least for now. The White House dropped its latest effort to disband the Small Business Administration, saying it was clear that small business wanted it. But the Administration still wants to cut the size of the S.B.A. and raise its fees.

Stocks gained before the long Labor Day weekend. A 32.48-point jump on Tuesday brought the Dow close to its record high of 1,909.03. But the Dow closed Friday at 1,898.34, up only 10.54 for the week. Long-term interest rates finally fell in response to the discount rate cuts and the poor economic news. M-1 rose \$3.1 billion.

Oil stocks have surged in the wake of OPEC's agreement to limit production, although the pact does not take effect until tomorrow. Traders believe the pact will have at least some success in firming oil prices.

American Brands will take a \$100 million charge after taxes in its third quarter for closing several tobacco plants, but will also split its stock and increase its dividend.

Lockheed overcharged the Pentagon by up to \$500 million for the C-5B military transport plane, the Government said. Lockheed said the accusation was "totally lacking in merit," but the Government asked for the money back.

G.M. offered 2.9 percent financing for three-year loans on all its 1986 model cars and small trucks in an attempt to clear its clogged showrooms. The financing is the lowest G.M. has ever offered. Chrysler and Ford do not have the same inventory glut, but must compete to keep mar-

INVESTING / Anise C. Wallace

Promise and Pitfalls of Closed-End Funds

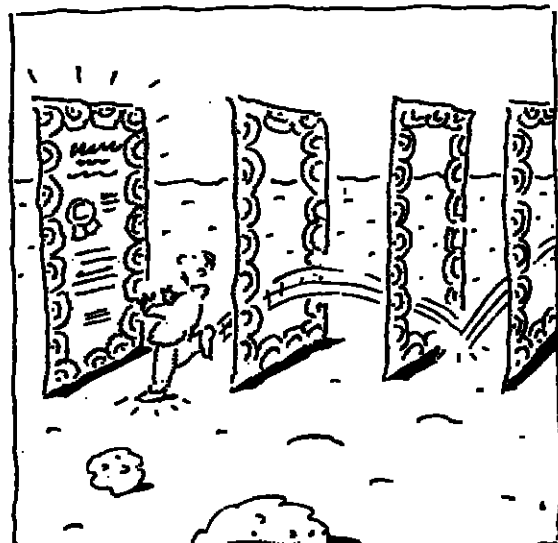
Brokers and managers can make a killing. Customers may not fare nearly as well.

NOT since the Roaring 20's have so many closed-end mutual funds been offered to the public. In recent weeks, Martin Zweig, Mario Gabelli, David K. Schafer, and other investment managers have registered shares for proposed closed-end stock funds. Indeed, one fund that Merrill Lynch will offer in October—the All-Star Equity Fund—is to be managed by five different investment management firms.

Why the sudden rush of closed-end funds? Well, their very nature helps to answer this question. A closed-end fund sells a finite number of shares to the public to raise money, and this pooled money is then managed by professionals who buy securities. The fund's shares are then traded, like any other stock, on an exchange, or over-the-counter. The shareholders can only get money back by selling their shares on the stock market at whatever their current value might be. They cannot ask the fund to redeem the shares for cash, as investors in open-ended funds can do. (An open-ended fund is constantly open to new investment money, and stands always ready to redeem any investor's shares at the current net asset value.)

In an environment in which even managers with superior track records are losing clients, as many corporations terminate managed pension plans to recapture extra cash, closed-end funds make enormous business sense. By offering investors a fixed number of shares, the fund managers get a stable pool of "clients" who, unlike corporate pension funds, or individuals, cannot fire them.

This is great for the money managers. But what is it for the customers? Well, for one thing, closed-end funds can make sense for small investors who want their money managed by some of the better-known portfolio managers. Many of these managers have such lofty minimum-account requirements for individual clients that they are, in



Drawings by Gary Zarnitok

effect, off limits to the average investor. Closed-end funds can also be attractive for an obvious reason: investors may be able to buy their shares at a discount from the net asset value. This is because markets are a reflection of investors' whims: Shares of even the best-managed funds may trade for less than the underlying assets are worth.

Yet, it is for this very reason that many experts say investors should stay miles away from a closed-end fund's initial offering, whatever the impressive credentials of some of the money managers. The only ones to get rich off these red hot funds, they say, are the brokers. Instead of forking over to a broker an up-front sales commission of as much as 8 percent, investors should wait and buy shares once a secondary market develops, hopefully when the shares may have dropped a bit.

"I've had more inquiries this year from people who've been bagged, and I tell them they never should have bought the new issue," said Thomas J. Herzfeld, a South Miami broker and manager whose firm specializes in closed-end funds.

In most cases, the shares of closed-end funds trade at a premium to their net asset value after the offering and then fall to a discount, according to Mr. Herzfeld. And the odds of buying shares of the

offering and seeing their price remain at a premium are similar to those of winning the lottery, he said. "So far, I'm impressed with the quality of the managers," he added, "but that doesn't mean I want to buy them at a premium."

Mr. Herzfeld, who invests \$75 million for clients, prefers to buy shares of funds that are trading at a discount. Right now, Mr. Herzfeld is buying shares of Baldwin Securities, Merrill Lynch Convertible Securities and the Gemini II Fund.

Funds that buck the odds and continue to sell at a premium after their initial offering include those where investors think the money manager is really something special—a much better than the average manager of a closed-end fund—or where the fund provides a way to invest in a specialized market all but closed to outside investors, such as the Korea Fund. (Only recently has Seoul eased restrictions on foreign investment in South Korean companies). In these cases, the basic law of supply and demand pushes up the prices, as investors chase the limited numbers of shares.

The biggest risk—one all investors face whenever they hire someone else to manage their money—is that the manager will not be able to deliver the stellar performance achieved in the past. The manager's style may suddenly fall from favor; he or she could hit a professional slump, or may not be able to handle larger sums of money.

While this can happen to any money manager, investors in closed-end funds face a double whammy. In addition to the performance risk, these investors are vulnerable to the faddish nature of Wall Street. Today there is a strong appetite for shares of closed-end funds, but nothing on Wall Street is constant. Wall Street's appetite for these shares could, wane. That could happen even if the manager has been doing a good job. And if the investment fashion changes at the same time a manager hits a performance air pocket, a closed-end fund's shares could fall even further. That, say some experts, is when investors should buy into a fund.

Another problem: Management fees on some of the recent funds are much higher than they have been in the past, notes Mr. Herzfeld. Investors in the Gabelli Equity Trust Inc., for instance, will pay an annual management fee equal to 1 percent of their investment. The average no-load open-end mutual fund typically has a much lower expense.

Of course, investors who want superior money managers may have to pay for them.

The New York Stock Exchange									
MOST ACTIVE STOCKS									
WEEK ENDED AUGUST 29, 1986									
(Consolidated)									
Company	Sales	Last	Net Chng	Company	Sales	Last	Net Chng	Company	Sales
Ohio Ed	20,231,100	22 1/2	+ 1/2	Duq LI	9,336,900	14 1/2	- 1/2	AT&T	8,277,900
AT&T	8,277,900	24 1/2	- 1 1/4	Mobil	7,293,400	35 1/2	+ 1/2	IBM	7,003,700
IBM	7,003,700	138 3/4	+ 3/4	Owen C	6,917,100	79 1/2	- 2 1/2	Tex Oil	6,869,800
Owen C	6,917,100	79 1/2	- 2 1/2	ICN	5,540,700	25	- 4	Exxon	5,274,100
Tex Oil	6,869,800	36 1/2	+ 1 1/2	Fla Prg	5,163,100	44 1/2	- 1 1/2	Gould	4,962,100
ICN	5,540,700	25	- 4	Schlmb	4,721,700	34	+ 1 1/2	Texaco	4,777,300
Exxon	5,274,100	68 1/2	+ 3 1/4	Chevrn	4,571,300	44 1/2	+ 1 1/2	Coca Cl	4,361,900
Fla Prg	5,163,100	44 1/2	- 1 1/2	Coca Cl	4,361,900	37 1/2	- 3/4		
Gould	4,962,100	21	+ 2						
Texaco	4,777,300	33 1/2	+ 1 1/2						
Schlmb	4,721,700	34	+ 1 1/2						
Chevrn	4,571,300	44 1/2	+ 1 1/2						
Coca Cl	4,361,900	37 1/2	- 3/4						

Standard & Poor's									
400 Indust	275.5	270.9	275.2	+2.38	20 Transp	191.0	185.1	191.0	+2.19
40 Utilis	123.5	117.9	122.7	+4.32	40 Unls	23.7	23.1	23.7	+0.27
500 Financial	257.4	245.4	250.1	+3.04					

Dow Jones									
30 Indust	1899.4	1842.6	1887.8	+32.20	20 Transp	765.5	738.6	761.7	+ 5.75
15 Unls	220.8	208.9	217.3	+ 8.15	65 Comb	735.1	711.5	730.4	+12.04

The American Stock Exchange									
(Consolidated)									
Company	Sales	Last	Net Chng	Company	Sales	Last	Net Chng	Company	Sales
Wickes	4,021,900	5 1/2	+ 1/2	BAT Ind	1,883,800	6-3/16	...	Amdahl	1,730,800
WangLab 8	1,200,800	24 1/2	+ 1/2	Imp Oil	617,200	31 1/2	+ 1 1/2		
Sterling Soft	1,190,800	17 1/2	- 1/2						
EchoBay	993,100	20 1/2	+ 1 1/2						
AM Int	905,600	6 1/2	+ 1/2						
Texas Air	848,300	31 1/2	+ 1 1/2						
Imp Oil	617,200	31 1/2	+ 1 1/2						

MARKET DIARY									
Company	Last	Prev.	Week	Company	Last	Prev.	Week	Company	Last
Advances	394	365		Declines	349	395		Unchanged	182
Total Issues	925	928		New Highs	72	74		New Lows	35

WEEK'S MARKET AVERAGES									
High	Low	Last	Net Chng	High	Low	Last	Net Chng	High	Low
New York Stock Exchange	165.5	161.7	164.7	+1.57	Transp	116.7	113.4	115.1	+1.27
Indust	116.7	113.4	115.1	+1.27	Unls	80.7	79.2	80.5	+0.66
Finance	158.8	155.0	158.3	+2.31	Composite	145.8	142.6	145.3	+1.44

WEEK'S MARKET AVERAGES									
High	Low	Last	Net Chng	High	Low	Last	Net Chng	High	Low
New York Stock Exchange	165.5	161.7	164.7	+1.57	Transp	116.7	113.4	115.1	+1.27
Indust	116.7	113.4	115.1	+1.27	Unls	80.7	79.2	80.5	+0.66
Finance	158.8	155.0	158.3	+2.31	Composite	145.8	142.6	145.3	+1.44

The American Stock Exchange									
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The New York Times

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Disgusted With South Africa

As President Reagan ponders whether to veto sanctions against South Africa, he'll find it hard to ignore the new violence that has brought more death to Soweto. He'll find it much harder to ignore what has happened in California. His conservative friend, Gov. George Deukmejian, now favors what he vetoed a year ago — a bill requiring the state to sell \$11 billion of investment in companies doing business in South Africa.

Whatever one thinks of divestment as a tactic, the meaning is plain. Mr. Reagan may dither, in the belief that the public will construe sending a black Ambassador to Pretoria as a new policy. But it's plain that his state, party and country are divesting themselves of his bankrupt approach to apartheid.

Divestiture measures have now been approved by 19 states and 65 cities. The Democratic House calls for a total embargo on American investment. The Republican Senate calls for the wisest course — targeted sanctions. But there can be no doubt why so many wish to go further, faster. Here as in South Africa, Mr. Reagan is perceived as Pretoria's defender, unwilling to show where America stands.

Perhaps no economic penalties will persuade President P.W. Botha and his white supporters to negotiate on power-sharing with a huge black majority. What has been proved is that business-as-usual and hoping for the best hasn't worked. And Mr. Botha's attempt to lure pliant blacks into "advisory" talks hasn't worked either. Soweto is now smoking rubble, despite emergency rule and prohibition of the news cameras that were said to provoke violence.

The mitigating gleam is the courage of a still-independent white judiciary. Over and again, judges have tried to hold the Minister of Law and Order accountable to the rudiments of law, as in the case of a black Catholic priest who was, by his credible account, indecently abused for 30 straight hours of interrogation. There are voices of humanity and sanity among all races in South Africa, and increasing their volume ought to be the overriding purpose of any sanctions campaign.

The Senate bill would forbid new American investment, curtail loans and imports and deny landing rights to South African airlines. These steps would send an unequivocal message while allowing American companies to continue, by their presence, to promote workplace equality. The House bill calls for complete divestment — the withdrawal of all American investment from South Africa within 36 months.

The divestment course followed by California is different. Selling \$11 billion worth of state-owned stocks in scores of American corporations sounds like an immense step. It would double the total amount divested by other states and cities. But divestment is less a punitive policy than a way to express disgust. That so many states feel so disgusted indicates how far America is ahead of its President.

Mr. Reagan still has the chance, in the words of one Senator, to add his enormous influence to the will of Congress to begin the process of serious negotiation in South Africa. "I pray that he will do so," says Richard Lugar, the Indiana Republican who heads the Foreign Relations Committee, "before it is too late."

Primary Embarrassment in New York

New York's election law, as interpreted by its highest court, gives politicians plenty of ammunition for ballot warfare, and it broke out with a vengeance in this fall's Democratic primary campaign. As the dust settles with only a week to go, Abraham Hirschfeld, a candidate for lieutenant governor, is off the ballot. So are scores of able local candidates. And the state stands embarrassed for permitting such an affront to democracy.

Who's to blame? The courts, the Governor and the Legislature blame each other. Angry voters have no choice but to blame all three, until sense is restored to the law.

The law now covers 275 pages. It sets out a treacherous legal maze just to get on the ballot. Nominating petitions are required, and the cover sheets that summarize the numbers and sources of the signatures are subject to exacting rules. Challenges for minor errors have long been used to stifle insurgents. In recent years, the Court of Appeals magnified the problem by insisting on super-strict interpretation of the petition rules.

Last fall, the court seemed to back off. It asserted that lower courts had "misconstrued" an earlier ruling that permitted disqualification for minor errors in the signature tallies on petition cover sheets. But the retreat was only momentary. In another decision that same day, the court disqualified a slate of Conservative Party candidates from Erie County because the cover sheet of their joint petition carried only one summary of signatures and pages submitted instead of repeating it for each candidate. Following the precedent of that monumental nit, the courts this year have disqualified some 200 candidates.

Mr. Hirschfeld's statewide candidacy fell vic-

tim to a different technicality. The cover sheets for his petitions failed adequately to identify them by Congressional district. This requirement has the valid purpose of helping demonstrate that at least 100 signatures were secured in each of 17 districts. But removal from the ballot is an absurd penalty for so tangential a lapse. Mr. Hirschfeld had amassed far more than the 20,000 valid signatures needed statewide. Two-thirds of his petitions were in substantial compliance. Allegations of widespread forgery didn't pan out.

Governor Cuomo had every good reason to want Mr. Hirschfeld off the ballot. A governor should be able to pick the candidate for an office so closely associated with his own, and his choice, Representative Stan Lundine, is an able, attractive prospect. But to send in teams of lawyers to seize on such technicalities smacks more of political beanball than hardball.

It was the Governor, after all, who failed to sign a modest bill passed by the Legislature in July that would have limited the penalty for some minor cover-sheet violations. Instead he went along with the state Board of Elections' dubious argument that it wouldn't be fair to enact such a bill once petition season had begun.

Now the damage is done; the task is to prevent it next time. A study prepared by the City Bar Association at the request of Mayor Koch contains a sound blueprint for simplifying the election law. If the Governor and the Legislature want to redeem their commitment to honorable government, the way is clear.

Topics

Curses and Collars

Jinxed Rockets

Some occupant of the heavens is visibly irritated at the noisy trespasses of rockets. How else to explain the failure of two more American rocket types last week, the fifth and sixth this year?

First an Aries rocket carrying an X-ray telescope had to be destroyed after it veered off course at the White Sands missile range. Then an unarmed Minuteman 3 missile test-fired by the Air Force failed in flight over the Pacific. The cause of the Minuteman failure is unknown. As for the Aries, NASA says the rocket's contractor put the wrong transistor in the guidance system.

Every rocket goes awry once every so often. The Aries hadn't failed since 1976, so maybe it was due. But what hidden hand has aligned the odds on six different types of rockets so that all the failures have fallen due within the space of a few months?

When the shuttle exploded in January, its booster rockets suffered the first failure in 25 flights. A Nike-Orion that failed in April was the first in 55 flights. A Titan, of which only 6 percent are duds, also exploded in April. A Delta rocket, with a failure rate of only 7 percent, blew up in May.

Someone has got these gremlins organized — someone who doesn't like space invaded. Since the rockets mostly have Greek names, perhaps NASA should study how to appease Greek gods. Something like a hecatomb — the slaughter of a hundred

oxen — on the Mall in Washington might be the surest way of lifting the celestial hex on American rocketry.

Good Numbers

The bad numbers are still way too high — 717 alcohol-related highway fatalities in New York State alone last year. But the good numbers of lives saved are also rising.

This success is a tribute to the officials who have enacted and enforced tough new laws. New York, New Jersey and Connecticut all have raised their drinking ages to 21 and stiffened penalties for those caught driving while drunk.

Last year's 717 drunken-driving fatalities in New York represent a 27 percent drop from 1981. New Jersey has seen a 43 percent reduction, from 371 in 1980 to 213 in 1984. Connecticut didn't join the crackdown until last year, yet fatalities declined from 180 in 1981 to 172 in 1985.

The New York and New Jersey numbers look very good nationally. Overall drunken-driving deaths fell less than 10 percent, from 26,000 in 1980 to 23,500 in 1985. It's a case of leadership saving lives.

Family Matters

A recent report from the Federal Bureau of Investigation gives welcome evidence that there's some-

thing more sensible to do about domestic violence than suffer in silence: call the cops.

Some eight million violent incidents occur in American homes each year. Husbands abuse wives, husbands and wives abuse children, adult children abuse elderly parents. When it comes to the wives, at least, those who report violence to the police reduce the risk of being victimized again.

They may have been reluctant to speak up because domestic violence is so commonly accepted as purely a family affair. But only 19 percent of the women who called the authorities were assaulted again in the next six months, compared with 41 percent who stayed silent. That finding reinforces a recommendation made in 1984 by a Presidential panel, which argued that domestic violence is a criminal act and should be so treated.

"A person beaten in the home is no less a victim than the person beaten on the sidewalk in front of the home," the report said. Nor is the person who beats a spouse or child very different from the one who mugs a stranger. According to recent research at the University of New Hampshire, both are likely to come from families where their parents hit each other. Witnessing such violence at home marked them even more strongly than experiencing it.

Domestic violence breeds many victims, not all of whom bear bruises. For a cop to stop today's violent hand may also stay tomorrow's.

Letters

South Africa's Mineral Plunder

To the Editor:

One of the reasons consistently advanced by the White House for opposition to imposing severe economic sanctions against South Africa is our reliance upon many basic minerals available from that sad country. Since, allegedly, the Soviet Union is the only other country in the world possessing many of them in abundance, and we want to avoid dependency on our ideological opponent, we must maintain "constructive" relations with the Government of South Africa. Or so the argument goes.

In reality, many of the minerals exported by South Africa (including the diamonds that Donald T. Regan, the President's chief of staff, worries American women cannot do without) are actually mined in Namibia, a country illegally occupied and exploited by South Africa for decades.

For years, the United States participated in international efforts to implement United Nations resolutions and World Court decisions seeking Namibian independence. South Africa's intransigence invariably succeeded in derailing such proposals. Since President Reagan's election, we've heard little of efforts to undo this oppressive and illegal occupation. Meanwhile, South Africa has shamelessly continued stripping Namibia of its precious natural resources.

Forcing South Africa to release its grip on that vast and potentially rich state would have at least two positive results: 1) the long-delayed freedom of the Namibian people from the yoke of apartheid, and 2) a new source of strategic minerals — a country eager to reap the benefits of its natural resources for itself and to trade with nations that made its freedom possible.

FRANKLIN H. WILLIAMS
President, Phelps Stokes Fund
New York, Aug. 18, 1986

New Sources Found

To the Editor:

It will take more than a platinum padlock to keep the lid on South Africa's Pandora's box. Ross F. Irish's assessment of an impending monopoly ("South African Sanctions Held in a Platinum Trap," letter, Aug. 17) is symptomatic of the misperception fostered by that country.

While much of the existing produc-

tion (outside the Soviet Union) of the platinum metals stems from South Africa, the recent report of the construction of a refinery close to the mines does not entail the dark realpolitik of international collusion Mr. Irish implies. There are still platinum refineries equaling the British one that is to be closed in the United States, Belgium, West Germany and Norway.

Far from reducing "the other African platinum producers" — there are none now — to commercial thrall, this example of vertical integration in the mining industry simply indicates how justifiably worried South Africans are about being cut off from the rest of technical civilization.

It is ironic that their efforts at consciousness-raising about "strategic metals" have sparked a wave of successful prospecting resulting in imminent production of platinum and palladium from new mines in Australia and the United States. The Stillwater complex in Montana has



David Greber

proved richer than the Merensky Reef near Johannesburg.

South Africans should read the clear handwriting on the face of the earth: their treasure chest of metals is but one of many, and the locksmiths of the new geophysics are at work around the world. By the end of this decade, the keys will start to turn.

RUSSELL SEITZ
Cambridge, Mass., Aug. 18, 1986
The writer is a visiting scholar at Harvard University's Center for International Affairs.

Tax Bill Puts Penalty On Loans of the Past

To the Editor:

Like countless others, I took out student loans — nearly \$20,000 worth — to finance my education. One of the reasons I allowed myself to sink inordinately into debt was the knowledge that I could one day take the interest as a deduction when filing my tax returns.

If the proposed tax bill is passed, beginning next Jan. 1, such deductions will be phased out (front page, Aug. 18). This is a prospect dreadful enough for those who are contemplating taking out educational loans. For those of us who are already saddled with the debts originating from past loans, it is nothing short of betrayal.

Could not the legislators at least introduce a clause whereby one could continue to deduct the interest on loans taken out before 1987 when filing tax returns after next Jan. 1? For that matter, I should think the same consideration would be welcomed in the case of all loans taken out before 1987.

MARY D. EDWARDS
New York, Aug. 19, 1986

Is This Equitable?

To the Editor:

I refer to a comparison of taxes owed under the current law and under the tax-reform bill proposed by the Senate-House conference committee, as prepared for you by Arthur Andersen & Company (news article, Aug. 19).

In this comparison a single person with no children, earning \$64,000, would have his or her tax reduced by 2.7 percent under the new law, while a married couple with two children, earning \$61,050, would pay an increase of 4 percent.

Does this represent equitable tax reform?
DEBORAH T. DAVIS
New York, Aug. 20, 1986

Enter the Cab of Tomorrow, Buckle Up and Smile at the Camera

To the Editor:

I was recently involved in a New York City taxicab accident, in which my head was thrown against the grill separating the front and back seats. As a result, I had to have 15 stitches in my forehead.

My accident could have been prevented by the use of a seat belt. However, seat belts are not installed in cabs. All privately owned U.S. automobiles are equipped with seat belts. Riding in a New York City taxicab is particularly hazardous because of the difficult traffic conditions. Taxicab passengers should have the opportunity to protect their safety by wearing a seat belt if they wish.

I would like to urge support for legislation or regulations requiring the installation of seat belts in all New York City taxicabs and further requiring that these seat belts always be made accessible to passengers.

BENNETT W. GOLUB
New York, Aug. 15, 1986

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or return unpublished letters.

Harassment Hearing Aided Rehnquist

To the Editor:

On Aug. 1, I had the opportunity to watch live on public television virtually all of the testimony concerning Associate Justice William H. Rehnquist's alleged harassment of voters in the early 1960's in Phoenix. I was amazed to read your front-page news account of this testimony the next day and your editorial of Aug. 14 ("But Not as Chief Justice").

Your editorial refers to "persuasive witnesses" against Mr. Rehnquist. If you were to review the transcript of that hearing you would find that one of the "persuasive witnesses" could not remember in which year the alleged event took place, or even whether it was a Presidential election, and that another could not remember within seven years the date of the key event (seeing a newspaper photograph of Mr. Rehnquist) that he says fixed the identity of Justice Rehnquist in his mind.

Moreover, in no way did your news account reveal that another witness, a glib trial lawyer, was a Democratic Party activist who at the time of the alleged incident had just been rewarded with a job by Robert F. Kennedy — hardly an objective witness.

Even worse, your news account ignored the testimony of the only non-political and professionally objective witness of the day. This was a police officer unaffiliated with either party who testified with precision, based upon both his recollection and official records, that none of the alleged incidents actually occurred.

Short shrift was also given in your article to the testimony of the Phoenix Democratic Party chairman of that time, who indicated that, had such events occurred, they would surely have been called to his attention, and in fact they were not. It seems to me that any person watching the proceedings would have had difficulty coming to any conclusion other than that the weight and credibility of the testimony supported Justice Rehnquist.

In this episode, you have convinced at least one longtime reader that the issue of credibility is not with Justice Rehnquist, but rather with your newspaper.
THOMAS L. MCCLINTOCK
Colts Neck, N.J., Aug. 19, 1986

Harriman as a Supporter of Vietnam Policy

To the Editor:

Roger Hillsman's Aug. 10 letter ("Harriman Was Prescient About Vietnam") gives the impression that W. Averell Harriman opposed, though not publicly, President Johnson's policy in Vietnam. My experience gave me the impression that he was less interested in this problem than in narrow party loyalty.

In 1965-67, I took a leave of absence from Harvard to serve in the Paris Embassy as cultural attaché. In the spring of 1966, as I recall, all the top cultural officers were summoned to London to discuss common problems and to be addressed by Ambassador Harriman. When he arrived, he delivered his message in one sentence. I recall it was something like this:

"I came to remind you that your most important duty, in what you say and in all the activities of your post, is to press for acceptance of Pres-

dent Johnson's policy in Vietnam."

There was a long, embarrassed silence. He asked for questions. Career officers did not dare object. I felt I had nothing to lose, for I could happily return to Harvard, and it was certainly up to someone to say something! So I said: "Sir, there is so little possibility of persuading people in our country to accept the American Vietnam policy that if we base our total program on it, all our activity will collapse."

He said nothing but at once turned on his heel and left the room.

I was not impressed when under the Republican regime that followed he came out against the Vietnam War.

By the way, I did not get sent back to Cambridge.
LAURENCE WYLLIE
Cambridge, Mass., Aug. 13, 1986

The writer is C. Douglas Dillon Professor of the Civilization of France emeritus.

Scenario for a U.S. Intervention in Nicaragua

To the Editor:

When President Reagan says that a takeover by the contras might be necessary in Nicaragua (front page, Aug. 20), I think I know what he means. Since there is no chance of the unpopular contras winning against the Nicaraguan army, Mr. Reagan must be talking about United States military intervention. The scenario will probably go like this:

The contra mercenaries seize a town in Nicaragua and declare an alternate provisional government. A request for U.S. troops is made.

The U.S. then recognizes the alternate government and sends U.S. troops to prevent the Nicaraguan army counterattack. Thus, a legal fig leaf is created for intervention — and the War Powers Act will not matter if

the Government is overthrown within 60 days.

The image of the U.S. would be badly damaged by the overthrow of Nicaragua, and it would result in a propaganda windfall for the Soviet Union. This would appear another in a long line of U.S. military interventions in Latin America. Gunboat diplomacy would be enshrined.

I think this scenario will be enacted after November's Congressional elections, so as not to embarrass Republican candidates. Considering the short attention span of the American public, the Reagan Administration will have nearly two years to distort the issue and confuse the public before the 1988 Presidential election. I hope I'm wrong.
PHIL QUIGLEY
Yelm, Wash., Aug. 20, 1986

To the Editor:

To attract higher-caliber drivers, you assert, the Taxi and Limousine Commission "need only toughen the standards for getting and keeping a hack license" ("For Better Cabbies and Higher Pay," editorial, Aug. 17).

As long as there is the very real risk cabbies will be robbed or assaulted behind the wheel, trying to attract higher-caliber cabbies will prove as futile as hiring a taxi during a rush-hour downpour.

There is, however, a promising incentive to attract competent drivers: miniaturized closed-circuit television. With a miniature video camera trained on the back seat and a closed-

circuit monitor mounted facing "the fare," passengers could see themselves on television, and a cabbie could rest assured that a videocassette recorder in a locked box beneath the seat would provide a video document of the tour of duty.

The video hookup would discourage criminal mischief. In the event of a crime against the driver, the video cassette would offer evidence likely to aid in the perpetrator's apprehension and conviction.

Thus, more competent drivers would take the wheel, and passengers could look forward to a taxi ride as a real ego trip.
RICHARD HARSHAM
Cincinnati, Aug. 18, 1986

The New York Times Company
229 West 43d St., N.Y. 10036

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Pointless Sanctions Against Cuba

By Tad Szulc

WASHINGTON — President Reagan's latest economic and immigration sanctions against Cuba are absurd and futile gestures. The Cuban actions that provoked him are surely annoying, but what is the point of getting angry at bad weather?

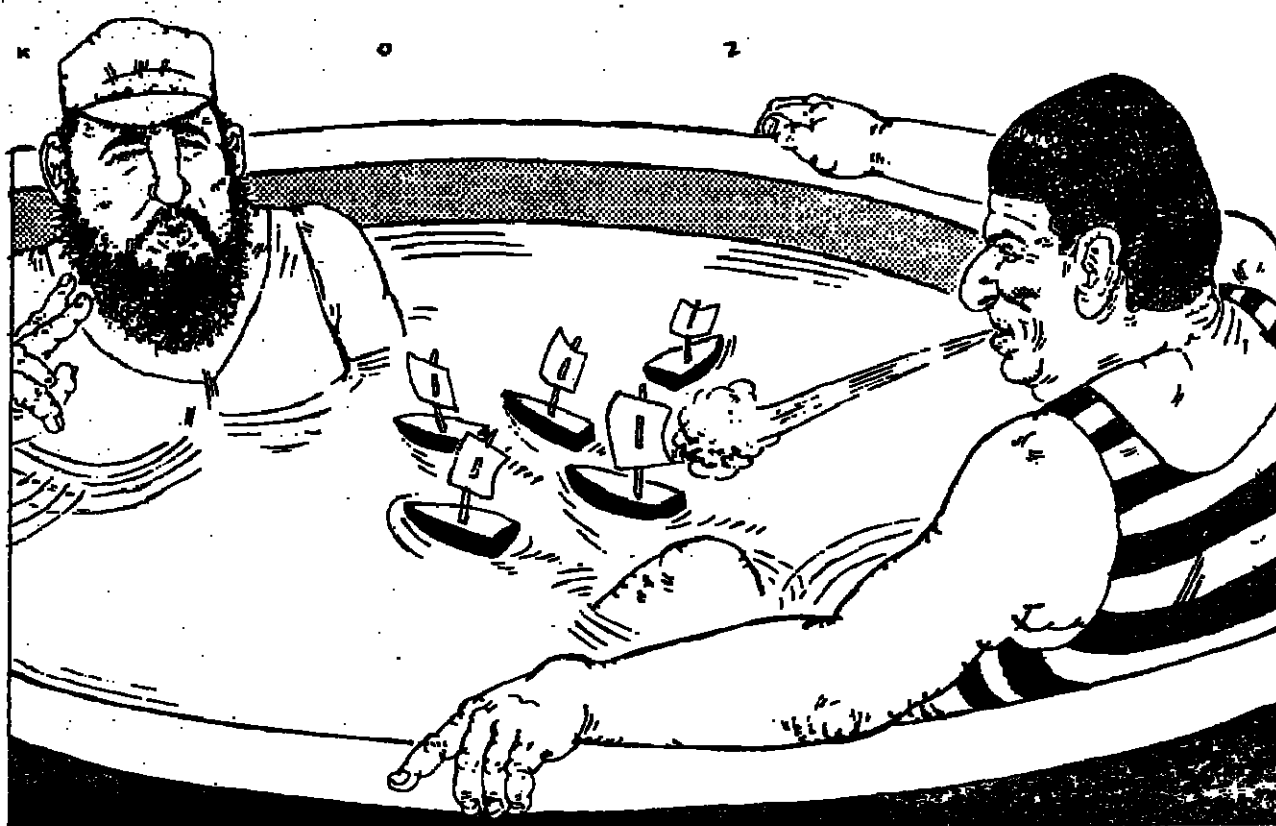
Announced grandiloquently on Aug. 22 as a National Security Decision Directive, the new measures forbid the entry of Cuban immigrants through "third countries," such as Mexico, Spain or Panama, and impose additional controls on United States trade with Cuba in an effort to seal the economic blockade established more than a quarter-century ago.

These sanctions are destined to be counterproductive. Instead of seriously damaging Fidel Castro, they may help to increase his popular support at what is unquestionably the most critical period in the history of the Cuban revolution. And the real victims will be tens of thousands of anti-Castro Cubans whom Mr. Reagan now prevents from emigrating to the United States.

Washington's official explanation for these sanctions stresses that they will deprive Havana of the trickle of desperately needed hard currency that Cuba still receives from the United States, including the bribes of \$30,000 or so per head that American officials say the Cuban regime extracts to issue immigration permits. Administration spokesmen call this "trafficking in human beings." Interestingly, however, even if such a traffic does exist, neither its beneficiaries nor the families who sponsor them in the United States have protested it. In fact, the normally pro-Reagan Cuban-Americans in Florida take a dim view of the "third country" ban that shuts off the last channel of departures from the island.

The Reagan Administration's fall-back justification is that "in truth" the sanctions are intended to force Mr. Castro to take back the 2,700 "undesirable" Cubans, mainly criminals now in American prisons, who were dispatched by him among the 120,000 people who came here from Mariel in 1980. Under an agreement concluded in December 1984, Mr. Castro accepted the repatriation of these criminals, and Washington committed itself to take 20,000 Cuban emigrants annually. But when the Administration suddenly inaugurated anti-Castro Radio Martí broadcast

Tad Szulc has just finished a biography of Fidel Castro.



operations in May 1985, Cuba suspended its end of the deal, and Washington soon halted all direct emigration.

Only under immense pressure from the Cuban community in Miami and the Roman Catholic Church did the Administration relent: earlier this month, it agreed to allow the entry of fewer than 100 former Castro political prisoners and their families. And when the "third country" route was devised, Mr. Reagan slammed this door, too. Anti-Castro Cubans and their families are thus the principal casualties in the cynical and petulant dispute between the two governments.

Both sides' "humanitarian" protestations are a sham. In fact, Mr. Reagan wants to be rid of "undesirables" who cause problems and expense, and Mr. Castro, who publicly admits to major job shortages for "deserving" Cubans, would be delighted to see as many of his opponents leave as possible. Some observers think Mr. Castro may soon stage another Mariel-type exodus, posing an immensely embarrassing dilemma for his arch foe Ronald Reagan.

Mr. Castro has recently admitted — to the Communist Party's Central Committee plenum in July — that the overall situation in Cuba "is very tense" and the country is going "downhill." That, clearly, is why he is

Reagan's steps may help Castro

manipulating the immigration issue. But that is no excuse for the Reagan Administration to play similar games.

Nor will the new sanctions amount to effective economic warfare. True, as Mr. Castro admits publicly, Cuba is in the midst of the deepest crisis since the revolution's advent in 1959. He bitterly complained in speeches in July that the revolutionary spirit is vanishing. He also confessed some errors that have led to "technocratic and bureaucratic deformations" and to "the introduction of methods which corrupt and instill a lust for money in workers and leaders," making "the entire productive apparatus of the country increasingly inefficient and dysfunctional."

Because of the drop in world oil prices, Mr. Castro informed the nation, Cuba lost \$300 million in hard currency last year. (Cuba earns currency by re-exporting Soviet petro-

leum received in exchange for sugar sent to the Eastern bloc.) This was a demoralizing blow because at the same time Cuban export trade in general had faltered badly, making it extremely difficult for Cuba to pay for any imports from the West. This crisis, together with internal economic and social problems, seems to have brought the achievements of the Cuban revolution close to a dead end.

Against this background, President Reagan's new sanctions are insignificant pinpricks. At most, they will inconvenience the Cubans. More likely, they will help Mr. Castro politically, allowing him to continue to blame the American "blockade" for some of his most glaring economic problems. The Administration apparently believes that internal disarray will diminish Cuba's role in Central America and southern Africa, but in this too they are sadly mistaken.

The only realistic policy toward Cuba today is to ignore it. There is no plausible reason to believe that the two countries will settle their significant differences — over Cuban foreign policy — in the foreseeable future. But there is little point in hectoring and sniping at each other. The United States virtually never wins rhetorical battles, and it is shameful to engage in duels with Fidel Castro over the fate of innocent Cubans. Ideological ire may be satisfying in the short term, but it is not effective policy.

IN THE NATION | Tom Wicker

A Tale of Two Fish

The biggest fish story of the summer that unofficially ends this weekend was the one about the 3,450-pound great white shark that didn't get away from Captains Donnie Braddick and Frank Muncus, 25 miles south of Montauk Point in the Atlantic Ocean.

On Aug. 6 the two captains, having spotted sharks feeding on a dead whale, chummed the area with fresh butterfish. Captain Braddick then hooked the monster on 150-pound monofilament, with a bait of whiting. Using a Penn International reel on a Schor rod, he fought the man-eater for two hours before landing him.

This particular great white weighed nearly 800 pounds more than any other ever taken on sport-fishing gear. He was 16 feet 9 inches long, about 35 years old and his picture in The New York Times displayed a set of teeth as terrifying as the final scenes of "Jaws."

Captain Braddick observed that he was glad a fisherman "instead of some weekend warrior" had landed this awesome fish. In fact, probably only an expert could have done it and few weekend warriors would have wanted even to get close to the thing while it was still alive and battling.

But the best fish story of the summer is one in which every fisherman from the bumbling amateur to the experienced fly-caster can rejoice — the return of the noble Atlantic salmon as far north as the White River, a tributary of the Connecticut, and more than 250 miles from the sea. Here is not only a true triumph of the modern concern for the environment and the protection of species, but a great achievement of the new science of genetic engineering.

The promise — not yet fully realized — is for a significant restoration in nature's scheme of things, not to mention the possibility of some wonderful sport. In mid-July, a single one of these beautiful fish, one of the world's most prized for game and food, was spotted in a pool near the Doherty Bridge at Stockbridge in central Vermont. Warden Stanley Holquist did not fail to recognize the significance of the sighting.

"My God, man," he said to the construction worker who had spotted a salmon in those waters for the first time in 200 years, "do you know what that is? This fish hasn't been around since George Washington."

Before the early 19th century, Atlantic salmon in mighty numbers swam up the Connecticut into the White and other tributaries, and hatched their eggs about where they themselves had been spawned. The newly born salmon, or parr, lived in

the rivers for two or three years, then underwent a mysterious biological change that made them over into silver creatures called smolt; after that, they headed downriver to the sea, entering it through Long Island Sound.

For several years they lived in the Atlantic Ocean, moving north toward Greenland. Then in one of nature's most appealing miracles, the salmon returned to the Connecticut River, swimming up it or its tributaries to the waters where they had been born, there to make a new spawn, and return once more to the sea (possibly to live long enough for a second trip up the river, and still another spawn).

The construction of power dams on the Connecticut in the early 19th century put a stop to this centuries-old cycle. And by about 1820 the Atlantic salmon was no longer to be found in the Connecticut rivers. But now some of the old dams have been removed and those remaining have been equipped with "fish ladders" that the salmon can climb.

At the same time, biologists in the Connecticut River Atlantic Salmon Restoration Program have been

The shark caught off L.I. and the return of salmon to New England

working nearly 20 years to develop a genetic replication of the salmon that once bred so bountifully in the river system. The fish found at Stockbridge in July was the first of these to swim down the river, out to sea, and return far north to spawn in the ancient habitat. Though it's not clear how many or what numbers others will follow, more than 300 salmon are known to have returned this year to the Connecticut River system.

It's a slow process, but it now seems possible that salmon fishing in the Connecticut rivers may be possible again by the 1990s.

When and if that happens, only fly-fishing is likely to be allowed in a limited season, and catch-and-release rules will be required for many years, perhaps always. That will only enhance the sport and the sense that, for once, men may have redeemed themselves a little in the cosmic eyes of nature.

Queries About the Downed Jet

Sept. 1 marks the third anniversary of the downing of Korean Air Lines Flight 007 by a Soviet fighter pilot, with the loss of all 269 passengers and crew members, among them 63 Americans. The following article was written by members of the families of some of the victims. The writers are Nicola Truppin, Andrea Truppin, Nan Oldham, Brian McNiff, Alan Lebow, Betty Lim and Bill Stevens.

The appalling circumstances in which our loved ones died were the worst nightmare realized. How many nights have we lain awake imagining the horror of their final moments? With no bodies recovered, we have been deprived of the healing ritual of a funeral service, and the intangibility of the unseen event keeps us in perpetual mourning.

It is unanswered questions about the flight, however, that intensify our pain, and while nothing can ever mitigate our condemnation of the Soviets' inhuman act, these questions suggest that some responsibility for the tragedy may lie closer to home.

How did the plane end up in Soviet airspace? Did it stray there unintentionally? If so, why was its pilot not guided back on course by United States radar operators or air controllers?

Why was the National Transportation Safety Board, which normally investigates air disasters in which the United States has an interest, ordered off the case?

Why did the Air Force destroy relevant radar tapes?

Why did the pilot of KAL 015, who flew parallel to 007 for much of its flight and who relayed false position reports for the doomed plane, suddenly become unavailable just before he was to be questioned under oath by attorneys for the bereaved families?

Why were an author and publisher of a book about the disaster threatened with prosecution by the Director of Central Intelligence?

The only official investigation of the disaster, which was carried out by the International Civil Aviation Organization, laid the cause of the plane's deviation from course to pilot error and/or equipment failure. But the I.C.A.O. did not have access to the full body of information and its conclusions could not even be endorsed by its own specialists, the Air Navigation Commission. Why are we expected to accept these findings?

Our Constitution guarantees Americans certain rights based on the concepts of freedom and the sanctity of life. If our Government had any knowledge of the irregularities of the flight of KAL 007 before the shoot-down, yet did nothing to prevent the tragedy, then the victims' most fundamental constitutional rights were monstrously violated, and the moral integrity of the Reagan Administration must be seriously questioned. We feel betrayed by our Government, whose silence, rationalized by the questionable claim of national security concerns, is beginning to

resemble a deliberate cover-up.

Sixty-three Americans were on their way to the Far East to teach, study, vacation and visit relatives. They were brutally murdered. Our Government's refusal to actively and honestly seek out the truth of this matter suggests a callous attitude that lives are expendable.

If the Administration has nothing to hide, let it come forward to clarify the apparent contradictions between the available information and the official story. If it will not do so, it is impera-

tive that a full-scale Congressional investigation be undertaken. Armed with its subpoena power and the right to examine classified documents, Congress can uncover the truth and provide a clear perspective on the tragedy.

As long as these questions remain unresolved, no citizen who travels the skies is safe, and the memory of 63 Americans and their 206 fellow human beings, will have been gravely violated.

007's Last Minutes

By Seymour M. Hersh

All must have seemed normal aboard the aircraft. Ninety minutes after takeoff and about 700 miles from Anchorage, Korean Air routine called for the stewardesses to change into their native dress. Snacks and orange juice and sandwiches were served to tourist passengers (those in first class were provided with more elegant fare), and then it would be time once again for another in-flight movie. In another 90 minutes, with cabin lights turned off and window shades down, Flight 007 flew into the range of Soviet radar; 30 minutes later it penetrated Soviet airspace.

Flight 007, now more than 200 miles off course and constantly moving away, flew over the Sea of Okhotsk for more than an hour, and its crew members continued to make what they thought were appropriate weather and position reports at the usual time to air traffic control officials in Anchorage and Tokyo. Those officials took no notice of the inappropriate weather reports — such reports are routine at best and, with that discrepancy unremarked, there was no reason for those officials to have any concern about the flight, and none did.

One heat-seeking missile is believed to have struck the passenger plane's left wing, destroying engines number one and two and triggering a fire. The second missile, which may have been radar-guided, perhaps homed in on the airliner's tail, ripping apart the auxiliary power unit and causing all of the pressurized air in the passenger compartment to rush into the tail. The sudden surge of pressure could have blown apart the tail structure and ruptured hydraulic, fuel and electric lines. It took twelve minutes for Flight 007 to spiral its way to the waters north of Maneron Island and crash. When hit, the airliner was 365 nautical miles off course.

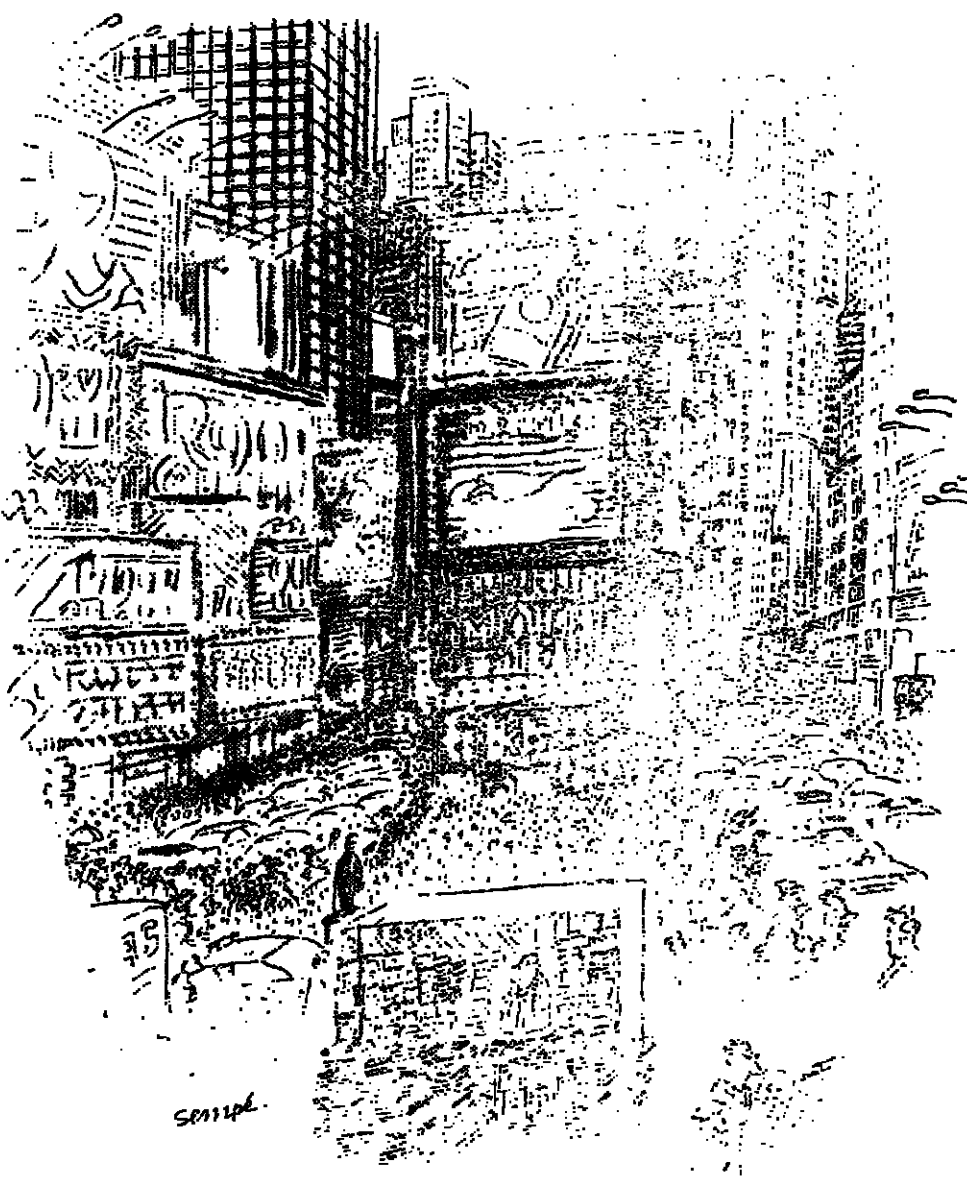
The attack came at a time when passengers would be asleep, or trying to sleep; the last 12 minutes of flight could only have been agonizing. The cabin, whether directly hit or penetrated by missile fragments, would immediately lose air pressure and would begin turning cold; some passengers, still strapped into their seats, may have been killed outright by shrapnel or debris as others watched terror-stricken.

Those who suffered the most would be the ones who survived the first moments. The cabin would fog as the drop in air density caused the water vapor in the air to precipitate immediately. Within seconds the airliner's air-conditioning units, reacting to the sudden drop in temperature, would begin pumping heat into the cabin. Many of the passengers, protected by blankets and breathing through oxygen masks, would have survived the initial missile impact — and the descent to the sea — knowing that they were going to their death.

The crew members in the cockpit would be equally helpless as they vainly tried to cope with cabin decompression, power failure, and the incipient collapse of many — if not all — of the airplane's systems. Within seconds, the plane began whirling down to the Sea of Japan. It would be almost impossible to think clearly. The crew's report to Tokyo air traffic control, the last known message from Flight 007, was received 48 seconds after the missile struck. Not surprisingly, the crew's indistinct message indicated no immediate awareness that the aircraft had been struck by a military missile.

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Seymour M. Hersh is a journalist who has reported for The New York Times. This is adapted from his forthcoming book "The Target Is Destroyed."



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The New York Times

Arts & Leisure

Hollywood's Spotty Record On Foreign Affairs

By WALTER GOODMAN

As a summer rich in recycled monsters, refurbished romances and slow-witted comedies draws to a close, the moviegoer may feel a craving for something that somehow connects with the real world. It is as natural as the need for a fresh salad after a spree of junk food.

No one expects Hollywood to take on the budget deficit, the trade balance or tax reform. But what about all those international commotions, which have as much drama as any director could ask and more than most of the people involved can stand: the American involvement in Central America, the play of passions in the Middle East, the powerful pressures building in Southern Africa, the daily bombings and shootings around the globe? While I was laughing at the British-made "No Surrender," it occurred to me that the last American movie I could remember about the Irish "troubles" was "The Informer" — produced in 1935.

What can we expect when the vacation of the mind comes to an end? Hollywood's record on foreign affairs is spotty. There have been spurts of daring and spells of passivity. Commercial moviegoers look for at least the semblance of consensus before they strike, and consensus on, say, Central America, is hard to find these days.

The one event that unfailingly stirs the juices of our moviegoers is a popular war. Although there was some flitting with pacifism in Hollywood before 1917, for example, no sooner had America entered World War I than did the "brutal Hun" become everybody's favorite villain. And so we got "Outwitting the Hun,"

"The Claws of the Hun," "To Hell with the Kaiser," "The Prussian Cur" — and don't forget "The Kaiser — Beast of Berlin."

The intoxication of war is commonly followed by a national hangover, and no smart moviemaker could ignore the rising antiwar sentiment of the 1920's, yet war patriotism died hard and the response was carefully ambivalent. Several major productions, such as "Wings," "The Four Horsemen of the Apocalypse" and "The Big Parade," sought to have it all ways; to combine the camaraderie of the trenches and the skies with wartime romance and inklings of disillusionment. These movies were examples of what David Manning White and Richard Averson, in their interesting book, "The Celluloid Weapon," called "contraband-message" films — the antiwar message was sort of sneaked in, perhaps in hopes that only receptive persons would notice. The screen adaptation of "What Price Glory?" the play by Maxwell Anderson and Laurence Stallings, subordinated its antiwar sentiments to the camaraderie.

But if Hollywood is a beat late in catching onto a trend, once the way is safe it goes charging in. By 1930, as the old spirit of isolationism and mistrust of Europe were enjoying a resurgence, pacifism became an O.K. theme, and Hollywood gave us the memorable "All Quiet on the Western Front" as well as other antiwar movies.

Hollywood's deference to public feelings and the international market was never better demonstrated than in the 1930's, as fascism was on the move in Europe. This country was divided between isolationists and interventionists, and the studios, though run largely by Jewish execu-

Two versions of war, Hollywood style. Above: Elpidia Carrillo, left, James Woods and James Belushi in Oliver Stone's "Salvador," 1985. Right: Lew Ayres, left, and Louis Wolheim in 1930's "All Quiet on the Western Front."

tives whose sympathies were hardly with Germany, could gain little by being prematurely antifascist. There were only a few movies about what was going on in Europe. Hollywood's solitary effort to deal with the Spanish Civil War as a contemporary event, the 1938 "Blockade," starring Henry Fonda, managed to avoid identifying either side as loyalist or fascist. Nevertheless, it brought protests from supporters of Franco in this country. By 1940, with Europe at war, anti-Nazi movies such as "Escape," "The Mortal Storm" and "The Great Dictator" found acceptance.

Today, when concern over nuclear war is at least as widespread as aversion to the Soviet Union, moviemakers deal with United States-Soviet relations without quite dealing with them. In "Top Gun," to use a current and hugely popular example, American pilots are sent into a battle against what appear to be Soviet planes, with only a throwaway expla-

nation of what the whole fight is about. As in the scenarios of Sylvester Stallone, the battle is the thing. Hollywood needs enemies for its stars to defeat and doesn't mind virtually declaring war in the interest of a good show, but the moviemakers cannot go

all out with a barrage of gung-ho productions like "Guadalcanal Diary," "Bataan" and "Wake Island," which drew Americans together during World War II. Nobody is about to make a movie that follows the logic of Rambo and has our guys making the

Kremlin. The idea of all-out nuclear war is unsettling. Movies about the bomb ("Seven Days in May," "Fail-Safe") or even about nuclear energy ("The China Syndrome") dramatize their dangers; there's an audience for that.

Hollywood has learned that even seemingly safe films may become subversive after the fact. Several of the rah-rah World War II movies drew attention to the heroism of America's allies, including the Soviet Union. "Mission to Moscow," the most notorious of them, was a publicity release for Joseph Stalin; his pact with Hitler and the executions of his fellow Bolsheviks after show trials were presented as beneficent. Shortly after the war, however, Hollywood was chastened by the attacks of the House Committee on Un-American Activities, and before you could say, "I am not now and never have been..." the moviemakers obliged the Communist hunters with "I Married a Communist," "I Was a Communist for the F.B.I." and, most memorable of an unmemorable lot, "My Son John," with Robert Walker and Helen Hayes. Cardboard Communists were substituted for the cardboard Nazis of the 1940's.

It has been more than four decades since America's movies have been able to go all out to war. The Korean conflict never aroused much enthusiasm around the country, and the one big effort to raise a cheer for the Vietnam War, John Wayne's "The Green Berets," drew raspberries. Two notable movies released in 1970, "M*A*S*H" and "Catch-22," had strong antiwar themes, but neither explicitly dealt with Vietnam. The one effective anti-Vietnam movie released while the war was still on was "Hearts and Minds," Peter Davis's 1974 documentary. It was tendentious, but it gave you something to argue about. Only after the war did we get such seriously intentioned if flawed dramas as "The Deer Hunter," "Coming Home" and "Apocalypse Now."

The action today is in places like Nicaragua, where America is financing a rebel force, and once again America is split. The most direct attack on the issue in an American movie so far came in "Salvador," Oliver Stone's driving melodrama about another Central American land where the United States finds itself involved. "Salvador" juggles with the facts, much like Costa Gavras's 1982 "Missing," to suit the thesis that Washington is in cahoots with Latin America's most reactionary and brutal elements. Whatever one thinks about that, these movies demonstrate that it takes a politically committed moviemaker to address the subject, and although Hollywood is filled with people who sign petitions, investing real money in controversy is something else.

Karajan's Fourth Cycle Of Beethoven's Nine

By BARRYMORE L. SCHERER

Complete recordings of Beethoven's nine symphonies, like complete recordings of Wagner's "Ring," tend to occupy a special niche in the hearts of music lovers and record producers alike. As the procrustean bed of Romanticism, the very salt of the musical earth, the Nine are considered the backbone of any serious record collection. From a marketing point of view, they form an ideal product. Unlike Brahms's four symphonies, of which there are too few to give the buyer the thrill of purchasing a really substantial chunk of history, or Mahler's 10 (if one includes, as Kubelik and Haitink have,

followed in 1977 with another Berlin cycle (by then most of the orchestra's personnel had changed). In an essay accompanying that recording William Bender noted, "It takes a brave man to commit himself even once to disk in this music. Not many have done it twice. To do it three times one has to be — well, Karajan." How, I wonder, would Mr. Bender have framed his last statement regarding this fourth time?

Why this latest venture along a well-worn path? One presumes it to have been instigated by Mr. Karajan's well-known desire to keep up with the most recent advances in recording technology rather than by any new musical insight on his own

ing a single mark on the Berlin Philharmonic's orchestral parts since the last time they were brought into the recording studio. Mr. Karajan even retained the services of his 1977 mezzo and bass soloists, Agnes Baltsa and José Van Dam, for the CD Ninth, with the soprano Janet Perry and the tenor Vinson Cole replacing their counterparts of the previous decade, Anna Tomowa-Sintow and Peter Schreier.

If there are differences between the cycles, they are technical ones. The CD recordings are about 25 percent louder than the LP's, so you don't have to turn your set up quite so high to get the full effect. Moreover, you will be spoiled within a short time by the sheer convenience of listening to the whole of the Ninth without having to change sides.

Unfortunately, while the general plummy quality of Mr. Karajan's CD sound will appeal to some, the lighter, more graceful timbre of the LP set has its own charm, and gives points to the 1977 Sixth and Eighth. There is also a conspicuous lack of freshness to the sound of the CD edition, for which multiple miking is possibly to blame.

Multiple miking — in which nearly every player is given his own mike — enables the engineer to turn each instrument up or down at will in the booth. While it allows for all manner of fancy footwork on the part of the engineer, it also results in a boxed-in "recorded" sound all too noticeable on the astonishingly quiet CD, and at the same time an unnatural kind of clarity. Thus, even in tutti passages we can hear all that sawing and scraping of bass strings every time they attack a phrase. It is as though, suffering from a slight head cold, we are seated in the middle of the orchestra, which is the last place one ought to be if one wishes to hear a proper unified timbre.

On the completely positive side, Mr. Karajan's fourth Beethoven cycle has its satisfying moments, not the least of which is a perfectly hair-raising transition in the Fifth from the triple piano of the third movement to the triple forte of the finale, a passage tailor-made for compact disk reproduction. There is also the bonus of the "Coriolanus," "Egmont," "Fidelio" and third "Leonore" overtures (all recorded in December 1985) to fill this package out and give you your money's worth.

In the end, if you have the 1977 LP's, this successor will do little to enlighten you further. If you do not, the CD format is obviously the way of the future, so you can't go wrong by adding it to your Karajan collection.

Among conducting's elite, perhaps none has uttered so many final words on The Nine as Herbert von Karajan.

the unfinished 10th), which are simply too long to yield a manageable package, and still debatable as to musical value, Beethoven's nine symphonies strike the happy balance of aggregate length and unequivocal respectability. Like complete editions of Shakespeare, therefore, The Nine are released in boxed sets conspicuous for their dignity — sober gilt lettering on the outside, cover embellishment usually incorporating a suitable portrait of the composer or a soulful one of the maestro in question, and a substantial book of essays within.

In fact, the Shakespeare comparison can be taken a step further, for just as Hamlet, Macbeth, Richard III and Lear have been the standard by which an actor's gifts traditionally have been measured (in theory, at least), Beethoven's Nine in the recording studio have for some time provided the supreme vehicle for this or that conductor to prove himself before the world. Upon its appearance, each new set of The Nine has been greeted as its respective conductor's final word on the subject, and among conducting's charismatic elite, perhaps none has uttered so many final words on The Nine as Herbert von Karajan.

In the 1950's, he first recorded the cycle with the London Philharmonic. Then came the cycle of 1961-62 with the Berlin Philharmonic, which was

part. Mr. Karajan reportedly has been a great proponent of the compact disk from its inception, and as soon as he determined that he could fit the whole of the Ninth Symphony on one CD, he was ready for action. The fact that he has hit on nothing new to say since the last time has little to do with the matter.

In short, those who enjoy Mr. Karajan's oft-times heavy-handed way with Beethoven will hardly be disappointed with the resulting set of six compact disks (Deutsche Grammophon 415 066-2). Nevertheless, his latest "last word" on the subject will yield few surprises to those who already own the 1977 cycle (Deutsche Grammophon 2740 172).

Misnomer BY FRANCES HANSEN/Puzzles Edited by Eugene T. Malachuk

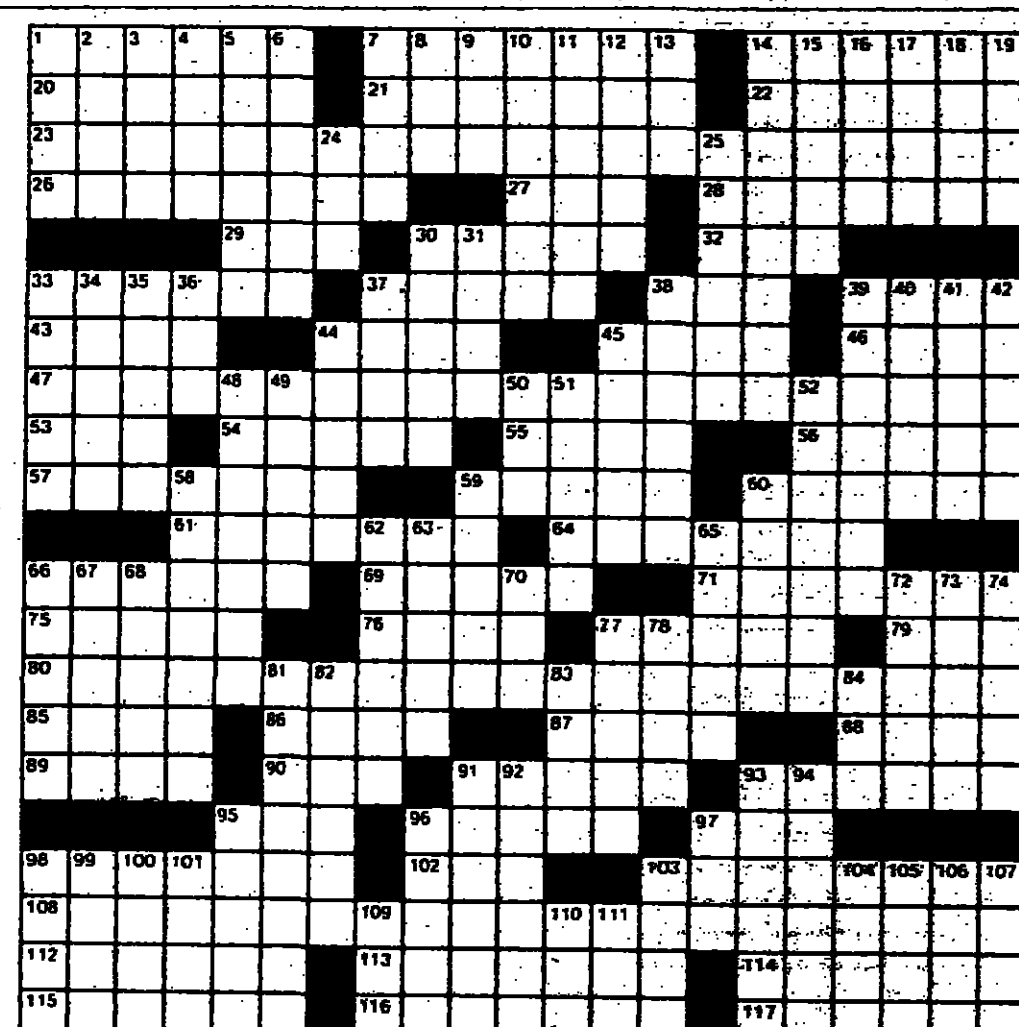
ACROSS

- 1 Richard III's desperate cry
- 7 Lively Polish dance
- 14 Imperturbable poise
- 20 Shoots the white water
- 21 Tonsil's neighbor
- 22 Pope: 1823-29
- 23 Start of a September query
- 26 Anteat
- 27 Convened
- 28 Highly charged
- 29 Zeta-theta go-between
- 30 Routine task
- 32 Riant
- 33 Rio — El
- 35 Paso's river
- 37 Fit for ducks
- 38 Solidify
- 39 Secretary
- 43 Flying prefix
- 44 Towel word
- 45 Joker
- 46 French magazine
- 47 More of query
- 53 Interminable time
- 54 Nine singers singing
- 55 Intimation
- 56 Christopher of "Superman"
- 57 Petrel or pelican

- 59 Title for Segovia
- 60 Fell from grace
- 61 Tutu or Bongo
- 64 Freed, as oxen
- 66 Demijohn's cousin
- 69 Hero of 1836 Olympics
- 71 Marilyn's 1958 film
- 75 — two (very few)
- 76 Swell, at sea
- 77 — thee late a rosy wreath": Jonson
- 79 Baseball stat
- 80 More of query
- 85 Bring — end (conclude)
- 86 Wimp's cousin
- 87 Ancient mariner
- 88 Pay heed
- 89 Bonifaces' places
- 90 Ethiopian prince
- 91 Friend of Trajan and Tacitus
- 93 Ensign
- 95 Help!
- 96 Substantial
- 97 Rocky peak

DOWN

- 1 Recorded proceedings
- 2 Laughing sounds
- 3 Humdinger
- 4 Tobacco, for one
- 5 Dished up
- 6 Fourth or real
- 7 Domino
- 8 With 68 Down, memorable actress
- 9 Japanese school of meditation
- 10 Synchronization
- 11 "The —" Nevin song
- 12 Kunta — Haley ancestor
- 13 Fuss
- 14 TV's Hawkeye
- 15 Small-minded
- 16 Actor Edmund of "What Price Glory?"
- 17 Of England's oldest univ.
- 18 Russian villages
- 19 Two-wheeler
- 24 General Eaker
- 25 Princeton 11
- 30 Printing mark
- 31 Greeting to a villain
- 33 Winner at Saratoga: 1777
- 34 Till the soil again
- 35 Kingdome or Silverdome
- 36 San Francisco's Hill
- 37 — Cassin, 1968 Nobel Prize for Peace
- 38 Missile-launching frame
- 39 Leans (on)



- 81 Matriculated
- 82 Ermine, e.g.
- 83 Sep. (abbrev.)
- 84 Miller of Blyde
- 85 Words' compasses
- 86 Foam from soap
- 87 Struck out on Broadway
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- 550 Good Conduct award
- 551 Shelley's — Skydive
- 552 Matriculated
- 553 Ermine, e.g.
- 554 Sep. (abbrev.)
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Dealing with ignorance

A LETTER came the other day asking: "Why are Israelis so cruel and insensitive to animals?" This is not the first such letter I've received since many people have asked this question and, despite the myth, not just people from English-speaking countries. Indeed, many of the founders of our Israeli SPCA were Europeans, particularly from Germany.

Be that as it may, Israel has no claim to exclusivity when it comes to the cruel and insensitive treatment of animals, for otherwise why would every civilized country in the world need so many SPCA groups to protect animals from humans?

To understand this subject one must look at two different aspects of the matter. The first is the deliberate, one might almost say sadistic, mistreatment of an animal, while the other is a rank ignorance which causes people to be cruel without even imagining for a moment that this is the case. The first is a pathological form of behavior which may or may not be dealt with by psychotherapists and in some cases by the courts while the latter is a matter of consciousness raising and education.

Israelis, whether they are Jews or Arabs, are remarkably ignorant about animals. The Arabs consider dogs to be ritually unclean and so, in most cases, they treat them badly while on the other hand, they adore and pamper horses, not even realizing that the lowly, underfed and overladen donkey is just as sensitive and in fact more intelligent than the horse. One is an animal of exploitation, the other is a firmly established status symbol. There is no cruelty intended as such in the matter: it is a social norm and therefore goes unquestioned.

The Jews also have minimal knowledge of animals and their needs, mostly as a result of unfamiliarity. This is, I feel, in great part due to the historical circumstances of the Diaspora. Neither the ghetto nor the *shul* are places for keeping animals and when they were kept, it was basically cows and milch goats, not



Furs, fins and feathers
by D'vora Ben Shaul

pets. Even before the dispersal of the Jewish people it was probably not usual to keep a dog in the house, since by ritual law an olive-sized piece of meat from an animal cadaver rendered an entire dwelling unclean. To return it to an inhabitable state was both time-consuming and costly, requiring many activities and even the purchase of new vessels for cooking and storing.

But people did own dogs then as we can clearly see from the Mishna where there are a number of examples of cases in which one man's dog damaged the property of another man. The dog-owner, in these cases, had to pay the injured party damages. These dogs probably lived outside, much as dogs do today in Arab villages and in some Jewish settlements.

As for cats, no one knows when they started to cohabit with man in this land; the Bible, for example, does not mention the cat even though it must certainly have been familiar to the Children of Israel from their sojourn in Egypt. There the cat had been domesticated for several centuries and was treated as a sacred animal, even a deity. Whether people in Israel actually

kept cats or simply tolerated their presence is not known; after all, cats have a habit of doing pretty much as they please. They could very well have simply made themselves at home, finally becoming a fixture. But most likely, the cat was a free animal that chose to be around the house and was recognized as a good protector against rats, snakes, scorpions and other harmful creatures.

IGNORANCE seems to me to be the source of most cruelty towards animals. I remember once speaking with a woman in a Jerusalem neighborhood who kept her cat tied with a rope. She was surprised that I should see anything wrong with this, after all it was her cat, it was always "running off" and so she had simply tied it up to keep it at home. It was a hard job persuading her that what she had done was really not such a good thing and that it was even against the law of the land, never mind the injunctions of religious teachings.

Many people have never been taught that animals have sensibilities, that they need shade and water at hand on a hot day, or veterinary treatment when they are ill. These people do not mean to be cruel; they just don't know any better.

The Israel SPCA, however, has done a great deal towards teaching these things to the population, and the difference over the last 25 years is remarkable. But there is still a lot to do in this field and concerned persons should cooperate with their local SPCA in helping disseminate information and in providing shelter and care to abandoned animals.

I have been most gratified to notice that almost all first, second and third grade Hebrew readers that have been published of late have stories about cruelty to animals and its prevention, as well as about nature protection. This is, I think, where our hope in the matter lies. If the children in Israel were able to teach adults not to pick wild flowers, then perhaps they will also be able to teach them to be kind to animals.

NEW YORK (AP). — After giving up a run but no hits in the first inning, St. Louis left-hander Tim Lincecum surprised everyone when he took a no-hitter into the eighth to help beat Cincinnati 5-2 in Saturday's National League baseball action. Lincecum allowed three hits in 8 1/3 innings for the Cardinals.

Mets 6, Dodgers 3
Rick Aguilera scattered seven hits over eight innings and delivered a two-run single.

Braves 4, Cubs 3
Dale Murphy's infield single scored pinch-runner Zane Smith from third base in the seventh inning.

Phillies 5, Giants 3
Mike Schmidt hit his 48th career home run and Don Carman pitched 8 1/3 innings. Schmidt hit the two-run homer in the fourth.

Pirates 13, Astros 3
Junior Ortiz went 4-for-5 and Jim Morrison drove in three runs with three hits, highlighting an 18-hit attack that powered Pittsburgh to victory.

Expos 10, Padres 1 and Padres 5, Expos 4
Garry Templeton had three hits and drove in three runs, including a tiebreaking single in the ninth inning that gave the Padres the second game. In the first game, Bryn Smith pitched a seven-hitter for his first complete game of the year and hit a three-run double.



FOILED: Giants' second baseman Robby Thompson tags Philadelphia's Gary Redus as he attempts to steal during the 7th inning of the game at Veterans Stadium. The Phillies won 5-3.

American League
Red Sox 7, Indians 3

Roger Clemens gave a quick sigh of relief that he won his 20th game. He allowed four hits and struck out 11 in seven innings.

Blue Jays 8, Twins 1
Manny Lee went 3-for-4 and drove in three runs and Buck Martinez hit a two-run single.

Orioles 5, A's 4
Odel Jones pitched 4 1/3 innings of scoreless relief and Mike Young homered in his first game back from the minors.

Rangers 6, White Sox 2
Rookie Bobby Witt struck out

nine batters in 5 1/3 innings and Pete O'Brien and Darrell Porter and Ruben Sierra homered.

Royals 10, Brewers 1
Frank White drove in three runs and Mark Gubicza scattered seven hits, leading Kansas City past Milwaukee.

Mariners 1, Yankees 0 and Yankees 3, Mariners 0

Joe Niekro gave up four hits in a five-inning appearance and Don Mattingly hit his 25th homer in the second game. In the first game, Jim Presley's eighth-inning RBI single gave the Mariners the victory.

Angels 5, Tigers 4
Doug Decinces hit a two-run homer with one out in the ninth inning, giving California the victory.

NATIONAL LEAGUE EAST			
	W	L	Pct.
New York	57	42	.574
Philadelphia	57	42	.574
St. Louis	44	45	.494
Montreal	42	48	.467
Chicago	35	54	.393
Pittsburgh	32	56	.364

WEST DIVISION			
	W	L	Pct.
Houston	73	36	.680
Cincinnati	69	40	.636
San Francisco	65	44	.594
Los Angeles	65	44	.594
Atlanta	60	49	.552
San Diego	60	49	.552

SATURDAY'S GAMES: New York 6, Los Angeles 3; Atlanta 4, Chicago 3; Montreal 10, San Diego 1; 1st game: San Diego 5, Montreal 4; 2nd game: Philadelphia 5, San Francisco 3; St. Louis 5, Cincinnati 2; Pittsburgh 13, Houston 3.

AMERICAN LEAGUE EAST			
	W	L	Pct.
Boston	75	34	.686
Toronto	72	38	.654
New York	70	40	.636
Detroit	68	42	.619
Baltimore	65	45	.590
Cleveland	65	45	.590
Milwaukee	64	46	.581

WEST DIVISION			
	W	L	Pct.
California	73	36	.680
Texas	69	40	.636
Oakland	67	41	.619
Seattle	67	41	.619
Chicago	55	53	.509
Minnesota	55	53	.509

SATURDAY'S GAMES: Boston 7, Cleveland 3; Toronto 5, Minnesota 1; Baltimore 5, Oakland 4; Texas 6, Chicago 2; Kansas City 10, Milwaukee 1; Seattle 1, New York 0; 1st game: New York 3, Seattle 0; 2nd game: California 5, Detroit 4.

TENNIS

Tim outleaps Yannick

NEW YORK. — Tim Wilkison, 35, of the U.S. dived, volleyed and leaped his way to an emotional 7-6, 3-6, 4-6, 6-1, 6-4 upset victory over number five seed Yannick Noah of France to reach the fourth round.

All the other seeds in action, among them Ivan Lendl and Martina Navratilova, came through with varying degrees of ease.

In Saturday evening's feature match, Navratilova's doubles partner, No. 5 Pam Shriver of the U.S. showed no mercy for her long-time friend Elise Burgin, and duly won their third round encounter 6-4, 5-7, 6-2.

While Noah was bowing out in thrilling fashion, number four seed Stefan Edberg of Sweden put his powerful, attacking game into top gear just in time in the last few games of his third round match to beat unseeded Ramesh Krishnan of India 7-6, 3-6, 6-4, 4-6, 6-4.

And on an outside court, unseeded Andrei Chesnokov became the first Soviet player since 1974 to reach the fourth round with a 1-6, 6-3, 4-6, 6-1, 6-3 victory over Marcel Freeman of the U.S. and now meets Wilkison. Alex Metreveli was the last successful Soviet, reaching the quarter-finals in 1974.

Navratilova beat Kathleen Horvath of the U.S. for the sixth successive time, with a 6-4, 6-2 triumph and now faces the exciting 16-year-old Gabriela Sabatini. The Argentine number 11 seed beat Katerina Maleeva of Bulgaria 7-5, 6-2.

Defending champion Lendl beat Jonas Svensson of Sweden 6-3, 6-3, 6-4. (AP, AFP)

Amos' climb

Israel's Amos Mansdorf has climbed to a career-high 69th place in the world singles rankings as a result of his magnificent upset victories in straight sets over Tomas Smid and Francisco Maciel. The two wins were worth a total of 28 ATP computer points.

But Mansdorf made an early exit from the doubles at Flushing Meadow; he and his partner Leonar do Lavalle of Mexico going down to Austrians Thomas Muster and Al Antonitsch 6-3, 6-1 in the first round. Shlomo Glickstein and Shahr Perkis also lost in the opening round, beaten 6-1, 6-3 by No. 3 seeds Mats Wilander and Jevgeny Nystrom from Sweden.

Another cycling world record

COLORADO SPRINGS (Reuters). — The Mile-High track at the Olympic Training Centre here yielded the fifth world record of the world cycling championships as the Czech men set a new standard in the amateur team pursuit.

The four Czech riders covered the 12 laps of the banked concrete velodrome in four minutes 17.71 seconds, three-quarters of a second faster than the recognized record set by West Germany.

Lineker off to dream start

MADRID (AFP). — English striker Gary Lineker, leading scorer in this year's World Cup in Mexico, was on target twice for his new club Barcelona on the opening day of the Spanish league season on Saturday night.

Lineker, 25, signed from Everton for \$4m., hit both goals as Barcelona began the season in style, beating Santander 2-0 in the giant Nou Camp stadium.

Barcelona start the season as joint favorites with Real Madrid for the title, and Lineker began to pay back his massive transfer fee as early as the second minute and added a second in the 36th minute.

The night's other two games also ended in 2-0 victories for the home clubs. Sporting Gijon beating Athletic Bilbao and Las Palmas beating Valladolid.

When you're getting away from it all at the Tel Aviv Sheraton, You can still keep in touch with The Jerusalem Post



The Tel Aviv Sheraton Hotel distributes complimentary copies of The Jerusalem Post to guests every day.

It's time to bring out Hit List II

RANDOMALIA / Miriam Arad

HAVING written a hit list over a year ago, I feel it's time for a second instalment. It's a good habit, once in a while to make up a list of everyone you dislike. It keeps you sane. Here's mine:

□ People who won't take yes for an answer. They say something, and promptly begin explaining themselves. Then they ask whether you've understood. You say yes. They continue to explain. These are the very people who also explain jokes. Especially unfunny jokes at which you didn't laugh. "You see," they tell you, "it's because she was wearing a bikini..."

□ People who can beat you at any game you play. If you proudly announce that you had 15 guests to dinner the other day and managed it all yourself, then they had 20 guests to dinner. If you tell them some choice piece of gossip, such as that Minister Y is fooling around with General X's wife, then they knew it all along. If you have a headache,

they suffer from the most excruciating migraines.

□ Richard Kleiderman.
□ Moral snobs. They are worse than intellectual snobs, because you never know where you are with them. You didn't hold a Seder last Pesach — they say look disapproving because we must not abandon all tradition, we belong to the Jewish People and ought to take part in its major rites and ceremonies. You did hold a Seder — they may disapprove because if you aren't religious, they consider it hypocrisy merely to go through the motions. You mention apartheid, they say you'd do better to worry about racial discrimination at home. You've begun growing flowers on your balcony — they pat you on the back. You go vegetarian — surely they'll applaud that. They frown.

□ People who yell "Shoshana! Sho-SHA-na!!!" when you are sleeping. Or even when you're not.

□ People who ask you questions

but are not interested in your replies. "So how was your trip to Italy?" they ask, and, "Well, how's your youngest doing?" The moment you start telling them, their eyes glaze over. They don't really want to know. What they want is to tell you how their youngest is doing, what fun they had on their trip to Spain.

□ Shimon Tessler.

□ People who come to the supermarket *en famille*, and park their trolley with three items in it in the checkout queue. You see a nearly empty trolley, you happily go and line up behind it. Then Mama, Papa and the kids proceed to fill it up, and you watch the growing mountain with despair in your heart. Inevitably, when the girl at the cash register has processed the lot, Mama all at once remembers — *s'tika, s'tika* — that she also needs a bottle of oil. You'll be lucky if you're through in less than ten minutes.

Which is why I sometimes wish I could be like the 19th century Spanish General Narváez. When asked on his deathbed if he forgave his enemies, he said: "My enemies? I have none. I've had them all shot."

THE DUTCH Reformed Church, the largest Protestant denomination in Holland which was once noted for its more positive theological approach to Judaism than other Churches, seems these days to be in the midst of a reappraisal of its attitude towards Jews and more specifically, Israel.

As reported last month in *The Jerusalem Post*, the contract of Rev. Dr. Geert Cohen Stuart as the Dutch Reformed Church's "theological adviser" in Jerusalem will not be renewed when he finishes his six year service in two years time.

A Church spokesman in the Hague has confirmed that Stuart's refusal to meet with PLO members is "one of the points" considered by the Church when making its decision, but there is also a theological argument behind its action.

One of the Jerusalem-based clergyman's main opponents is F.O. van Gennep, Professor of Christian Ethics at the University of Leyden's Theological Faculty. When the Church's General Synod confirmed

A churchman has problems with Israel

Henriette Boas

the decision to end Stuart's position in Jerusalem, van Gennep was one of the main speakers in favour of the move.

Stuart has gained the reputation of being pro-Jewish and pro-Zionist while van Gennep's position is that it is impossible to view the establishment of the State of Israel as a sign of God's will.

IN AN interview with the Dutch weekly *Elsevier's Magazine*, van Gennep said the theological problems for Christian-Jewish relations run very deep. How, he asked, can Christians who profess Jesus as the

Lord have a dialogue with those who oppose his teachings and the significance of his suffering and death?

Van Gennep went on to argue that a central tenet of Christian faith for the past 2,000 years has been the doctrine of *extra ecclesiam nulla salus* — there is no salvation outside the Church. Should Christians now, he asks rhetorically, hold that the Jews also possess some form of Divine Truth?

The Christian Ethics professor also disputes the official reports of the Dutch Reformed Church of 1959 and 1970 which state that the State of Israel is "a sign of God." He particularly disagrees with the comparison made by a clergyman at the Church's recent General Synod between the Holocaust and the establishment of the Jewish State with the cross and resurrection of Christian theology.

"If it were true, van Gennep says, 'every blunder by the State of Israel or its representatives: bank scandals, the killing of prisoners of war, the bombing of refugee camps in retaliation for the shelling of northern Israel are no longer stupid decisions of failing men but are justified by divine legitimization.'"

He says he is aware that many Jews will condemn him for such thoughts but he maintains Jews cannot tolerate criticism, especially from Christians. On the Christian side van Gennep says he is not alone in his thoughts and that many Christians share his views but are afraid to express them.

MUTUAL, I'M SURE. — Steve Cram (left) and Sebastian Coe exchange congratulations.

(Reuters telephoto)

ATHLETICS

Cram levels things with Coe, takes 1,500 m.

Post Sport Staff
World champion Steve Cram defeated Olympic gold medalist Sebastian Coe in the eagerly anticipated battle of the Britons over 1,500 metres at the European Athletics championship in Stuttgart last night.

Cram, defending European champion and bronze medalist behind Coe in the 800 m. on Thursday, ran his usual, perfect tactical race to take the gold in 3:41.09. Coe won the silver in 3:41.67 and Dutchman Han Kulker the bronze in 3:42.11.

The slow early pace forced Cram to the front after just 300 m. to avoid the bunching and boring in the pack. Coe ran wide for much of the race and did not pick up until a third Briton, John Gladwin, hit the front with around 700 m. remaining, took the pack round to the bell and began to stretch them out. Coe, who had stalked his great rival throughout, responded but Cram was beginning to wind up his famous finishing burst.

Cram steadily piled on the pressure and from 200 m. out there was only one winner. Coe battled his way past the Spaniard Gonsalves off the final bend but Cram was out of reach. The two Britons wrapped their arms round each other in mutual salute for a fleeting moment at the finish before Cram took off on his lap of honour.

"I'm not going to complain about my second place," Coe said afterwards. "Cram was better in the finish. He is just one of those guys who are hard to beat."

Marlies Gehr anchored East Germany to an emphatic 4x100 metres relay victory to collect her second gold medal.

Ravilya Agletdinova drew steadily away from the pack in the closing 250 m. to win the women's 1,500 m. title in convincing style and continue a successful afternoon for the Soviet Union.

The 26-year-old student from Minsk attacked after Britain's Zola Budd had seen her bid to escape thwarted. The South African-born runner changed gear with 650 m. still to go but the break was not decisive and another Russian, Svetlana Klovova, reeled her in by the bell.

Midway down the back straight Agletdinova hit the front and, although Olympic 800 m. champion Dolina Hellina responded, she increased the pace to win by a large margin from compatriot Tatyana Samoylova in 4:01.19.

Melinte, who failed to finish her opening 3,000 m. heat earlier this week and then withdrew from the 800 m. race on the bronze in 4:02.44.

Igor Palkin won the men's high jump with a clearance of 2.34 metres as the Soviets won three of the opening four events on the final day. His compatriot, Sergei Maltchenko, took the silver at a height of 2.31 on countback from West German Carlo Thraenhardt.

CRICKET

Indian shock as Gavaskar dropped

BANGALORE (Reuters). — Master Indian batsman Sunil Gavaskar has been dropped from a 12-member squad for the first two one-day internationals against Australia.

The selectors' announcement was their most sensational since December 1984 when Kapil Dev was dropped from a side facing England, sparking outrage and reports of clashes between the two stars of Indian cricket.

Gavaskar then led India, a position which was reversed the following year when he stepped down for Dev to regain the captaincy — a post which has swung between them in the last two years.

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Carmiel makes bid to become tourism centre

By DAVID RUDGE
Jerusalem Post Reporter

CARMIEL - This land-locked development town in the heart of Galilee is an unlikely setting for a vacation resort.

That at least is the view of tourism officials who point to the dearth of special attractions like sea and sand, or historical and holy sites, which are considered the normal requirements for a holiday town.

These drawbacks notwithstanding, the municipality has gone ahead with the development of a new hotel - the first for the town - at a cost of \$1 million. With provisional two-star rating, the Kalanit was inaugurated two weeks ago by Tourism and Justice Minister Avraham Shari.

Ostensibly it was constructed to provide accommodation for business people visiting firms on the town's industrial park.

"We often get people from Israel and abroad coming here for two or three days to discuss business matters and there has been nowhere to put them up," Giora Rosenthal, director of the Carmiel Economic Corp., told *The Jerusalem Post*. "In the past we had to direct visitors to Acre, Nahariya or Haifa, which was very inconvenient for them."

"We also took into account people coming to stay with relatives and friends in the town who did not always have enough room for all their guests," he said.

Apart from fulfilling these two functions, municipal officials believe that the hotel will also prove to be a springboard for tourism development - despite the scepticism of the Tourism Ministry.

They point out that the 22-room Kalanit has been full every night since it opened its doors to the public. Among the guests were people on a tour of Galilee who stopped in Carmiel, saw the hotel open, had a meal there and decided to stay for three nights.

"Carmiel is an ideal spot for vacationers visiting Galilee. It is centrally placed between Tiberias and the coastal resorts while Upper Galilee is only a relatively short ride away," said Rosenthal.

"We also believe in the philosophy that high standards, good service and pleasant surroundings are attractions in their own right," he added.

The economic corporation, a subsidiary of the municipality, contributed a third of the development costs. The remainder was raised through loans, with the help of a 12 per cent grant from the tourism ministry, which also awarded the project approved enterprise status.



Taking the plunge: With recreational facilities like this and the addition of a hotel and some nightlife, Carmiel hopes it can bring in tourists.

A 30-room extension, costing another \$500,000, is planned at a later stage if the hotel lives up to the municipality's expectations in the course of the next 12 months.

The inauguration of the Kalanit coincided with the opening of the town's first night-club. The club, in the centre of Carmiel, is jointly run by top musician and television personality David Kribush.

The hotel and the club, however, form only a small part of plans to develop entertainment and recreational facilities in this rapidly expanding town.

Rosenthal, who is also Carmiel's treasurer, revealed that plans for the construction of a country club are already in an advanced stage.

Some 300 dunams of land on the western side of the town have been set aside for the project. The first phase, to include a heated indoor swimming pool and 10 tennis courts, will cost \$1.5m. Work is due to start in six months' time. It will be followed by the construction of a large stadium, sports hall and other facilities.

The country club will serve not only the 29,000 residents of Carmiel, but all those in the surrounding Haveli 2000 region.

The new facilities will complement the existing municipal swimming pool and six tennis courts.

Municipal officials are also looking for backers of an ambitious and much larger recreation and tourism project.

The scheme, which is at the drawing board stage, envisages a large hotel complex, adjacent to sport and recreation facilities. The latter would include a full-sized golf course, swimming pool, tennis and basketball courts and a riding stable.

An Israeli hotelier is reported to be backing the project and Rosenthal hopes to attract the interest of at least one U.S. concern. He estimates the scheme will cost \$3.7m.

"It took three years from the time the idea of a hotel was formulated to its completion. The tourism project may take a little longer, but it will become a reality," said Rosenthal.

Carmiel was founded just 22 years ago with the aim of developing Galilee, providing alternative housing and employment prospects to encourage people away from the densely populated coastal strip and for the absorption of new immigrants.

It has succeeded in virtually all aspects - nearly 50 per cent of the inhabitants are formerly new immigrants, many of them from English-speaking countries - and is regarded as a model development town.

Mayor Baruch Wenger and his town hall colleagues are justifiably proud of the achievements so far and the reputation that Carmiel has established as a clean and pleasant place in which to live and work.

They also realize that they cannot rest on their laurels and will have to continue the development and expansion to prevent the town slipping into a state of stagnation.

"We see Carmiel as the commercial, industrial and cultural centre for the region and all our present and future development projects are designed with this in mind," said Rosenthal.

He also stressed the importance of entertainment and recreation, especially now that people generally work fewer hours and have more leisure time.

"We don't want Carmiel to be just an industrial and commercial town that closes down at 8 p.m.," he added.

U.S. posted record trade gap in July

WASHINGTON (Reuters) - The July U.S. trade deficit soared to a monthly record of \$18 billion, dimming hopes for a stronger economy and giving fresh ammunition to protectionist congressmen.

The Commerce Department also said that the trade deficit with Japan grew and for the third straight month there was a deficit in agricultural goods, which has not happened in 30 years.

The news caused the dollar to fall sharply in currency markets Friday to 2.03 from 2.05 Deutschmarks, a five-and-a-half-year low. The dollar also fell from 156.10 yen to 153.95.

Rising imports and stagnating exports have been blamed for widespread U.S. factory closures and the loss of millions of jobs.

The July deficit surpassed the previous monthly record of \$16.5b. in January and brought the total for the year to \$102b.

The deficit has been growing this year at an annual rate of \$170 b. compared with the 1985 record deficit of \$148.5b.

Members of Congress are likely to call for protectionist measures when they return next month from recess and take up trade legislation.

Although the administration thwarted a bill to restrict textile imports, it now faces other protectionist legislation, including a bill requiring the president to impose quotas or tariffs on goods from nations with large trade surpluses, such as Japan, West Germany and Taiwan.

The bill has already passed the House of Representatives.

Stephen Roach, an economist at Morgan Stanley, said the trade figures raised serious questions about whether U.S. economic expansion could be sustained.

The administration has estimated stronger growth in the second half of the year, based in part on improvement in the trade balance.

JOINT VENTURE. - GM and Suzuki Motor Co. Japan's eighth-largest automaker, said last week they had reached an agreement to set up a joint venture to manufacture cars in Canada.

Under the agreement signed with GM - General Motors Corp. - and its Canadian subsidiary in Toronto, \$455 million will be invested to start up an auto plant next April in Ingersoll, Ontario, Suzuki officials said. The plant would produce 32,000 vehicles next year, with annual production capacity gradually increased to 200,000. Some 2,500 to 2,800 workers are to be employed at the plant.

WORLD BUSINESS IN BRIEF

Record high trade surplus, joblessness recorded by Japan

TOKYO (Reuters) - Japan posted a record trade surplus in July, but unemployment also set a record, according to government figures released Friday.

The surplus jumped to \$8.67 billion from \$7.65 in June and \$4.92 a year earlier. Unemployment reached a record 2.9 per cent, up from 2.7 per cent in June and 2.4 per cent a year earlier. A total of 1.67 million people were out of work last month.

Meanwhile, the government made a substantial downward revision of its economic growth forecast for the next financial year, the Kyodo News Service said. It said the Economic Planning Agency had dropped the 1986-87 forecast to 2.8 per cent from the four per cent projected last January.

WEST GERMANY'S SURPLUS in its foreign trade account reached a record high, the Federal Statistics Office said last week. The country has been under foreign pressure to

buy more products from other nations and help their economies.

In July, West German exports exceeded imports by \$5.3 billion. That compares with a June surplus of \$4.8b. and the previous record surplus of \$4.9b. in April this year.

In the first seven months of 1986, the surplus soared to \$30b. from \$18.9b. in the same 1985 period.

TEXAS' HUNT BROTHERS have filed for bankruptcy protection to keep angry lenders from foreclosing on a \$1.5 billion debt owed by an oil company they own.

Nelson Bunker Hunt, Herbert Hunt and Lamar Hunt - three of the world's richest men - sought protection from creditors under U.S. bankruptcy laws Friday after a Federal District Court judge refused to stop a group of 23 banks from auctioning off the brothers' Dallas offices, oil-producing properties and other real estate valued at more than \$100 million.

The move freezes debts until the Placid Oil Co. can form a reorganization plan. Placid said it had assets of \$2.045b. and owed \$979.3 million to creditors. Placid and another troubled Hunt company, Penrod Drilling Co., have a total debt of \$1.5b.

TUNISIA HAS INTRODUCED measures to boost exports and cut subsidies in the face of an economic crisis caused by a fall in crude oil prices, a poor harvest and a drop in tourism. Parliament passed a revised budget Saturday after a three-day extraordinary session the official Tap news agency said.

The measures include cuts in investment spending and an initial elimination of import restrictions on raw materials and semi-finished products for firms exporting at least 25 per cent of their turnover. Two weeks ago, the local currency, the dinar, was devalued by 10 per cent in another effort to make exports more competitive.

OMAN WILL CUT OIL output today by 50,000 barrels per day as a contribution to efforts to restore stability to the world oil market, it said yesterday.

The reduction coincides with the two-month cutback by the Organization of Oil Exporting Countries in aggregate production.

Oman is not a member of Opec but oil exports are the backbone of its economy.

EXXON CORP. NAMED its president, Lawrence G. Rawl, chairman-elect and chief executive officer, as of January 1, 1987. He will replace Clifton C. Garvin, who reaches mandatory retirement age in December.

WHAT'S ON

Notices in this feature are charged at NIS 6.90 per line, including VAT. Insertion every day of the month costs NIS 138 per line, including VAT, per month.

JERUSALEM MUSEUMS
ISRAEL MUSEUM. Exhibitions: Kari Hinnon - treasure facing Jerusalem's walls; "A Man and his Land", Moshe Dayan collection; 0 Moshe Gershuni - largest presentation of his paintings 1950-1980; 0 Jenny Holzer - Barbara Kruger - 2 American artists exploring use of words; 0 Joel Kantor, Photographs of Israel; 0 Art in Context, audio-visual programme; 0 News in Antiquity - a series of films from Japanese Graphics collection; 0 From the Depths of the Sea (Rockefeller); 0 Big and Small relative sizes in life, art and children's world; 0 Jewels of Children's Literature; 0 Permanent exhibitions of Archaeology, Jewish and Ethnic Art; 0 VISITING HOURS: 10-5, 11:15 guided tour of the Museum (English). Guided tour of Archaeology galleries (English).

TEL AVIV MUSEUM Exhibitions: Israeli Summer, new selection from the Israeli art collection; 0 Edward Munch, prints: Death, Love and Anxiety; 0 Print into Print, works by six Israeli artists; 0 "The Sea" - Hed Gadya - a series of large prints by Frank Stella, after B. Lissitzky's gouaches; 0 Selection from the Museum's Classical Art Collection; 0 VISITING HOURS: Sun-Thurs. 10 a.m.-2 p.m.; Fri. 9 a.m.-1 p.m.; Sat. 10 a.m.-2 p.m.; Closed Friday, Hebrew holidays.

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Conducted Tours
HADASSAH - Hourly tours of the Chapel Windows at Kiryat Hadassah on the half hour. * Information, reservations: 02-416333, 02-446271.

HEBREW UNIVERSITY
1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus, Buses 2, 28, 24 and 25. 2. Mount Scopus tours 11 a.m. from the Broomman Reception Centre, Sherman Building, Buses 9, 28, 46, 28 and 23 to the first underground stop. Further details: Tel. 02-582818.

Information Centres
UJA INFORMATION CENTRE: 1 Ibn Gabirol St. Rehovot. Jerusalem. Features: TV news programmes from the U.S., continual A.P. News teletext, videotapes on UJA (United Jewish Appeal) sponsored programmes in Israel. Open Sunday-Thursdays, 9:00-7:00 p.m. For more information call 02-246465, 02-240795.

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MARKET
PLACE

DAVID ROSENBERG

Going
public

Like the width of the ties they wear, investment fashions come and go among the Wall Street crowd. For the last five or six years, Israel was the darling of the U.S. investment community.

Now Israeli companies are coming back into style, says Mark G. Ross, chairman of Hamilton, Grant and Co., which specializes in underwriting small high-technology concerns, especially in the medical field.

There are certainly plenty of those in Israel, and Ross was here last week to investigate some prospects. Hamilton, Grant is now helping its first Israeli company to go public in the U.S., after having earlier placed shares privately for the firm.

The \$1.2 million offering for Balsa Donde U.S.A. Inc., actually the American-based parent of the Israeli Balsa Donde Ltd., is set for later this month. A maker of remotely piloted vehicles for military use and as sophisticated toys, Balsa Donde is just the kind of concern that Ross maintains has strong potential for going public.

He says companies specializing in medical technology and sophisticated electronics are also likely candidates. "We have no set ideas of what we're looking for," he explains, but he is most interested in companies with relatively small capitalization and a fast-on-their-feet management. "Some of these companies have big boards of directors and it takes a year to make a decision," he says disapprovingly of some that he has considered.

Ross also says he is looking for companies with definite business plans "who will take the \$1 million we raise and use it for very rapid penetration of the market."

But don't think that the brilliant scheme you have had gathering dust on the drawing boards, waiting for a little capital to bring it to life, will make a good candidate. "We are not looking for R&D companies," he declares. "We are looking for companies that are ready to market their product."

The stock market has less patience than it used to waiting for start-up companies to bring returns on investments. "Many investors in the U.S. don't want to wait three or four years to see action."

No doubt part of Ross's caution in approaching companies stems from some of Wall Street's disappointment with high tech generally, which was in vogue five or six years ago. Many investors were burned by start-up companies with interesting products and creative engineers who later proved unable to manage a business or bring their products onto the market successfully.

Nevertheless, Ross insists that high tech is still popular with investors, and that extends to Israel high tech, too. He notes that in the late 1970s and early 1980s, there was strong interest in Israeli companies as investment prospects. "It died down. But now it's coming back," he contends. "The U.S. investor... is recognizing that Israeli high tech is way up there."

Not surprisingly, many of the investors looking to own a piece of an Israeli company are Jewish and are making their investment for Zionist as much financial reasons. But, Ross insists, many non-Jewish investors are also looking at Israeli companies, and from a strictly business viewpoint.

For them, Israel's reputation in arms technology is a particular attraction. "People are more interested in companies that have products with military applications," he says. The U.S.-Israel free-trade-zone agreement, however, does not seem to be a major factor in the revived interest.

"If it is, I've seen no indications of it," Ross says. Israeli companies that choose to go public now will also benefit from what Ross describes as a strong market for new issues. "We have no idea how long this will last," he says. "In my opinion, it will stay strong for another 12 to 18 months," even after the Dow Jones Industrial Average begins to decline.

Once an Israeli company chooses to go public in the U.S., it can expect an encounter far more paperwork than it would encounter a similar operation in Israel. "I think they're a little surprised at the amount of work involved because of U.S. Security Exchange Commission regulations," says Ross of Israeli executives. The level of financial disclosure is far higher in the U.S. than in Israel and requires not a small number of accountants and attorneys to carry it out. Many Israeli executives, he adds, are often unwilling to take on the expense.

Balsa Donde is not going public as an Israeli company *per se*. Instead, a U.S.-based parent company has been set for the purpose, since it is much simpler to take an American company public in the U.S.

But, Ross adds, there is no single rule for going public in the U.S. "You have to take each situation individually."

Haberfeld presses
for final wage pactBy ROY ISACOWITZ
Post Labour Reporter

Histadrut sources said its trade union department chairman, Haim Haberfeld, was using "pressure tactics" in an attempt to squeeze final concessions out of the private sector employers.

As part of his tactics, Haberfeld yesterday authorized the trade union department to either conclude or take whatever action was needed if an agreement is not reached. He also called a meeting of all the trade unions operating in the private sector to discuss the future of the negotiations.

Haberfeld said yesterday that one point of dispute is still the timetable for the implementation of a NIS 450 monthly minimum wage.

The employers have proposed increasing the minimum to NIS 400 this month from its present NIS 334, with another two increases to bring it to the NIS 450 level by April. The

Histadrut has demanded that there be two stages only and that they be concluded before April.

The two sides also differ over the payment of an agreed-upon five to 10 per cent wage increase, according to grade, for all private sector employees. The first half of the raise would be paid with this month's salaries, but they differ over the date of payment of the second half.

There are also differences of opinion over how to define "wage" for the purposes of the minimum wage. It has been agreed that seniority bonuses will not be counted as a part of the basic wage, but the Histadrut is continuing to insist that work premiums which can amount to 30 per cent of the wage and more be excluded as well.

Haberfeld yesterday approved the public sector wage agreement signed last week, which provides a grade promotion for all public sector employees.

'Israeli tourists rescued
country's hotel industry'By GREER FAY CASHMAN
Jerusalem Post Reporter

Israelis have been the saving grace of the country's hotel industry this season, with several hotels avoiding financial collapse by the influx of local tourism, Israel Hotel Association president Maurice Cassouto said yesterday.

With international tourism at a low ebb, hotel rates for Israelis were made unusually attractive. The result was that July and August were record months for the number of room nights booked by Israelis, Cassouto said.

If the trend continues, bookings will increase 25 per cent from last year, which was itself a record year. Bookings could go to five million room nights, as compared with four million in 1985.

"Israeli tourists are very important to us and we must not ignore them in the future," Cassouto said. "We have to find out exactly what it is that attracts them most, and we must be sure that we can continue to provide it."

Treasury failed to turn over NIS 450m. in government debt

The Treasury has apparently decided to further reduce its involvement in the capital market, with a decision not to turn over maturing debt during the last month.

As a result, the Finance Ministry redeemed some NIS 450 million in bonds and saving schemes in excess of the amount of new funds it raised on domestic capital markets.

Because of the Treasury's decision not to turn over the debt, official figures due to be released today should show the government injected money into the economy during August for the first time in several months.

CURRENCY MARKETS

This week should show dollar's direction

The U.S. dollar ended last week weaker, dropping to new lows against the Deutschmark (2.0295) and the Swiss franc (1.6390).

A surprisingly larger than expected \$18.04 billion July trade deficit pushed the dollar lower in thin trading on Friday after many corporate customers squared positions ahead of the U.S. Labour Day weekend.

Early in the week, the July rise in leading indicators of 1.1 per cent had little impact on the market, but brought comments by Henry Kaufman, chief economist of Salomon Brothers, that the Fed must continue to lean towards an easier monetary policy to avoid an economic disruption of major proportions.

The German Bundesbank did not cut its discount rate, and this intensified the bearish sentiment towards the dollar. Another factor contributing to the selling of dollars was a Japanese official's remark that a recent surge in share and land prices had resulted from an easier Japanese credit policy, reducing the chances of a cut in Japanese interest rates.

Opinions are mixed about whether the dollar's correction will continue or whether renewed bearishness will emerge. The awaited correction took place last week in a muted and quiet manner. It is, therefore, extremely important to watch the market's action after the U.S. Labour Day vacation today. While new trends seldom emerge before a long holiday they often do after such a holiday.

Friday's action raised the prospect of a new downward move for the dollar, but this will only be confirmed tomorrow. If the market should stay within current levels, it is time to start selling the dollar aggressively.

BUSINESS BRIEFS

Forex allowance
for travellers may
go up in autumn

The foreign-currency allowance for travellers going abroad will probably not be increased until November, according to government sources, although the Treasury said publicly yesterday it has not made a decision at all.

The ministry was reacting to reports that the Bank of Israel favoured an increased allowance to \$2,000 from \$800.

After lifting some foreign-currency controls for importers and businessmen several months ago, Finance Minister Moshe Nissim also said the ministry would consider increasing the allowance.

Economics Minister Gad Ya'acobi, however, said the allowance should not be increased, noting that next year Israel will be facing problems in its balance of payments because of a drop in U.S. aid and a possible rise in fuel prices.

PRICES OF 1987 MODEL CARS will be raised by eight to 23 per cent as of next week, the government said yesterday.

Car importers have been demanding a 40 per cent price hike for new cars because of the strengthening of European currencies compared to the dollar and to the installation of extra safety devices in the new models.

The Spanish Seat's price will rise by 23 per cent; Japanese cars, 18 per cent; Fiat, 14 per cent; German cars, 11 per cent; and British and French cars, eight per cent.

A STEADY BASKET of currencies, dubbed "the orange basket," proposed for citrus fruit exports will be the focus of discussions at the Tnuva convention of "Tnuva Export," which opens at Kfar Hamaccabiah tonight.

About 1,000 delegates, represent-



Moshe Davrat, 40, takes over as director general at the Economic Planning Ministry today. He succeeds Ehud Gera, who heads the joint Israel-diaspora economic task force. Davrat had been an investment adviser in the ministry.

ing 5,000 citrus fruit growers, will attend the convention, which marks the organization's 50th anniversary.

EXPORTS OF LIGHT INDUSTRY products and ornamental objects increased 27 per cent during the first half of this year, compared to the equivalent period in 1985, the Industry and Trade Ministry said yesterday.

A large part of the increase was in glass frames and other optical equipment, as well as other laboratory equipment, which altogether went up 55 per cent. Jewelry exports increased only three per cent because of reduced exports to the U.S. because of the weakening U.S. dollar.

Overall, this year's exports of light industry and ornamental objects is expected to reach \$400 million, a 16 per cent increase from 1985, according to Yohanan Levy, head of the ministry's textile and light industry division.

India's jewelry exports hit record high

INDIA'S JEWELRY EXPORTS hit a new high of \$336 million from April to June, an increase of 45 per cent over the same period last year, the Press Trust of India reported yesterday.

The impressive performance marks a continuation of growth from last year, when the country's foreign

exchange earnings from jewelry exports were \$1.18 billion, up from \$103m. a decade ago.

Commerce Ministry analysts said government liberalization policies had contributed to the "phenomenal growth." India is already the world's leading exporter of processed diamonds.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:

General Share Index	114.93 -0.57%
Non-Bank Index	147.11 -0.47%
Arrangement	101.17 -0.62%
Insurance	160.10 -0.14%
Commerce, Services	174.72 +1.16%
Real Estate	154.23 -0.32%
Industrial	132.96 -1.15%
Textiles	187.10 +1.41%
Metals	129.54 -1.62%
Electronics	87.89 -2.11%
Chemicals	140.41 -1.25%
Industrial Invest.	111.40 -3.52%
Investment Cos.	141.97 -0.10%
General Bond Index	108.02 -0.17%
Index-linked Bonds	109.73 -0.31%
Fully-linked	111.52 -0.47%
Partially-linked	108.54 -0.15%
Dollar-linked Bonds	92.88 +0.14%
Short-term 0-2 yrs	107.66 +0.01%
Medium-term 2-5 yrs	107.50 -0.23%
Long-term 5+ yrs	102.70 -0.48%

Turnovers:

Shares - total	NIS 11,151,900
Arrangement	NIS 2,384,600
Non-bank	NIS 8,787,300
Bonds - total	NIS 8,806,200
Index-linked	NIS 4,854,800
Dollar-linked	NIS 2,151,800
Treasury Bills	NIS 910,100
Share Movements:	
Advances	185 (148)
of which 5% +	35 (30)
"buyers only"	10 (3)
Declines	124 (132)
of which 5% +	17 (20)
"sellers only"	2 (5)
Unchanged	83 (98)
Trading Halt	45 (44)

Bond Market Trends:

Index-linked	Stable/rises to 1%
3% fully-linked	Stable/rises to 1%

4.25% fully-linked

80% linked	Falls to 1-3%
Double-linked	Rises to 0.5%
Dollar-linked:	
Admon	Rises to 1%
Rimon	Rises to 0.5%
Gilboa	Slight rises
For. Curr.	
denominated	Stable/rises to 1%
Treasury Bills	
(monthly yield)	18.20 -18.50%

Arrangement yields:

IDB ord.	16.67%
Union 0.1	16.94%
Discount A	16.52%
Alliance	16.81%
Hapoalim r.	16.68%
General A	16.85%
Leumi stock	16.78%
Fin. Trade 1	16.02%

SELECTED PRICE QUOTATIONS

Name	Price	Volume	%	100NIS change
Commercial Banks				
(not part of "arrangement")				
Martime 1	1050	3305	+5.0	
Martime non-arr.	23500	63	+0.4	
First Int'l	3673	1746	-1.8	
RSI	4000	4427	-2.8	
Commercial Banks (part of "arrangement")				
IDB	77100	495	-1.2	
Union 0.1	57090	111	-1.4	
Discount	58700	95	-	
Mitrahil	21850	210	-0.8	
Hapoalim r.	62400	1446	-0.3	
General A	133400	16	-0.3	
Leumi 0.1	33230	1825	-0.9	
Fin. Trade	44700	40	-0.9	
Mortgage Banks				
Leumi Mort.	5680	377	+1.1	
Mort. Mort.	1920	1857	-0.5	
Mishkan r.	2195	705	-2.7	
Tel Aviv r.	13700	27	-0.7	
Metrav	5600	140	+1.4	
Real Estate, Building and Agriculture				
Elion	668	18026	-3.5	
Azorim	480	8013	-2.1	
Adia Int. 0.1	36200	85	+0.3	
Dankner	4310	758	+1.4	
Prop. & Bldg.	2889	2589	-1.1	
Bayside 0.1	4585	641	-	
ILDC r.	55000	150	-0.5	
Rasat	9452	189	+0.9	
Mohadrin	7480	435	-1.5	
Hadarim	1130	2127	-0.4	
Industrials				
Dubek b	3705	150	+0.5	
Pri-Zet 1	1487	223	-7.0	
Sunroof	9001094	-	-	
Elita	1820047	+1.3		
Adgar	900	2738	+5.3	
Argaman r.	15500	55	+1.5	
Delta G 1	2850	1839	+1.9	
Maquette 1	24391	88	+5.0	
Eagle 1	13010	77	+4.1	
Belgar	3250	1874	+1.1	
Schoellera	13500	109	+1.9	
Rogovin	2950	1273	+2.1	
Urdan 0.1 r	7750	318	-2.5	
Is. Can Co. 1	1840	8550	-7.9	
Zion Cabels	3530	785	-	
Pekker Steel	11881	22	-	
Elbit	354000	33	-3.8	
Trade & Services				
Meir Ezra	4750	149	+5.6	
Supersol 2	5600	522	-1.0	
Dalek r	3295	2704	-1.2	
Lightage	16375	43	-0.2	
Dolid Storage	1846	-	+5.0	
Dan Hotels	4200	420	+6.3	
Yarden Hotel	3150	201	+3.2	
Hilon 1	-	no trading	-	
Tam 1	1800	223	-	
Investment Companies				
IDB Dev. r	3865	4828	-	
Elion	3210	1123	-	
Afik 1	307	b.o.t.	+5.1	
Gehalet	1230	52	-6.1	
Israel Corp. 1	1710	517	-1.8	
Wolfson T r	127000	-	-	
Hapoalim Inv.	5589	2300	-0.1	
Leumi Invest.	-	no trading	-	
Discount Invest.	2140	5437	-	
Mitrahil Invest.	15357	28	-	
Clal 10	829	312	-	
Lendecb 0.1	7800	79	-2.0	
Pama 0.1	9150	100	-	
Oil Exploration				
Paz Oil Expl.	14350	109	+2.1	
J.O.E.L.	18380.1	+5.0		

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ISRAEL, EUROPE, U.S.

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	Last Updated	Tapas	Pekam 7-Day	Pekam 30-Day
LEUMI	23.8	7-17.50%	8-16.75%	8-18.50%
HAPOLIM	23.8	8-15%	10-15.50%	12-15.50%
DISCOUNT	12.8	8-15.50%	8-16%	10-19%
MIZRAHI	8.5	8-15%	8-15%	8-17%
FIRST INT'L	23.7	8-15%	7-17%	8-17%

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(Tapas: demand deposit paying daily interest.
Pekam: fixed-term deposit available from 7 to 59 days.)

PATAH - FOREIGN CURRENCY DEPOSIT

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Sorry school realities

THE NEARLY one and a half million young people who pour back into classrooms all over the country today at the start of a new school year will be receiving their education in a system that is teetering on the edge of disaster.

This may sound like the regular end-of-August wail sounded by the education minister, whoever he may be, and of the leaders of the teachers' unions. In truth, there has never been enough money in the till to make Israel's schools into the palaces of learning and science that would fit the self-image of the Jewish state. But it is also probably true that never before has the gulf between the country's vaunted aspirations for scholarly excellence and the sorry realities of the classroom been wider than it is today.

The nation's leaders, from the prime minister down, never tire of reminding us that our physical survival and economic competitiveness depend on our educational edge. Faced with the Treasury's bid for still another brutal cut in the education budget, Education Minister Yitzhak Navon has conjured a vision of a skyline dotted with high-tech factories, empty and silent for lack of qualified manpower.

More hyperbole? Not necessarily. Israel's classrooms today are already not only badly overcrowded but also critically short of science teachers, well-equipped laboratories and in many instances even the most basic teaching materials. As one teachers' union leader put it last week, "You name it and our schools are short of it."

This is the system that must now make a further contribution to the general budget reducing effort. That it must do so is not in question: even though it has already shed thousands of teachers and tens of thousands of teaching hours. The question is whether the operation should be carried out with an axe or with a scalpel.

A scalpel would have discovered cuttable fat in, for example, the bloated budgets which the former education minister, Zevulun Hammer, had secured, as he openly boasted during the last Knesset election campaign, for religious education. But these are now politically protected, and thus untouchable, particularly if they are to be found across the Green Line.

It is hardly a consolation to be told - however true it is - that a second-rate school system is the price Israel must now pay for the heady spendthrift years of the Likud in power.

Isolate Gaddafi

IT IS SOMETIMES hard for Israelis to figure out their American friends.

When, last April, the U.S. struck from the air at Libyan military and terrorist targets, the action, though it came rather late and amounted to not much, was widely applauded in this country. This newspaper described it as "justified response to the long-standing and ever-increasing threat posed by Muammar Gaddafi to humanity's hope for at least a minimum world public order."

Among other things, the U.S. proved on that occasion that Gaddafi could be rapped on the knuckles without any dire consequences ensuing. European fears of a worldwide terrorist wave being set off by the Libyan ruler in retaliation for America's strike were not borne out. The Kremlin, for its part, rested content with issuing a blast at the U.S. for committing a "new bloody crime" aimed at "intimidating" the Libyan people.

What remained an open question was, whether the "mad dog of the Middle East," as President Reagan characterized him at the time, would be sufficiently disciplined by a mere rapping on the knuckles. The view in Washington seemed to be that it would have a lasting deterrent effect. The cessation since April of such terrorist attacks as the one on the West Berlin discotheque was held up as proof of the thesis. Tightening the economic screws on Gaddafi beyond what the U.S. had already done did not appear a matter of urgency.

Now the Reagan administration is rather less certain: the evidence, it concedes, points to a fresh manic reawakening of the formerly depressive Gaddafi.

The Libyan regime, it is now said, is hatching new terrorist plots that are to be carried out by its Palestinian surrogate henchmen. The U.S. ambassador to the UN, Vernon Walters, has been despatched to the West European capitals to persuade political leaders that that was what Gaddafi was up to. But in the meantime "routine" joint American-Egyptian exercises off the Libyan coast and the "routine" despatch of the U.S. aircraft carrier Forrestal to the area underlined an open warning by the U.S. NATO commander, Gen. Bernard Rogers, as to what was in store for Gaddafi if he went terrorist again.

Should Gaddafi go terrorist again he would be due, in effect, for another rapping on the knuckles.

Washington was blustering to no purpose again, as some Washington policy-makers noted with apparent disapproval. It was hollering from the rooftops, while waving a weak reed: not a stance calculated to frighten Gaddafi into civility, nor the Soviets into publicly withdrawing their somewhat reluctant support for him. Teddy Roosevelt's advice to his countrymen to speak softly and carry a big stick has somehow been forgotten.

Plainly, if Gaddafi, the arch-terrorist, is - even without being the only source of terrorism - a threat to world peace, then he must sooner or later be removed by the concerted action of peace-loving nations. But if such a drastic move cannot for whatever reason be undertaken, the preferred alternative is not to send a few more bombers to drop a few more bombs over Tripoli and Benghazi, which would leave the "mad dog" subdued for a while, perhaps, but then madder yet.

The alternative is to isolate Libya totally from the true source of its strength, which is the Western community: and first and foremost by refusing to buy any more Libyan oil. If there has ever been a case in which economic sanctions could easily have a deadly impact on their target, that is the case of Libya today.

It is heartening to learn that Ambassador Walters is indeed also telling this to European leaders in his current trip.

As it is, Muammar Gaddafi has few real friends in the world today outside Syria's Hafez Assad, Morocco's King Hassan has just denounced the "union" he had concluded with him. It takes President Museveni of devastated Uganda to still kowtow to him for his petrodollars. Effectively quarantined, Gaddafi, the arch-terrorist, will not last.

Environment protection time

D'vora Ben Shaul

IF A resident of any Israeli city or town wants to close off his balcony, add a room or build anything else that changes the status quo of the neighbourhood, he must not only obtain the permission of the local planning council, but first receive the consent of his neighbours. This means that the citizen has the right to protest changes which he feels may cause damage to the quality of his environment.

But when the government decides to build a high-powered radio transmitting complex along migrating birds' flight path, or to build a factory for micro-chip production in a place where its waste must inevitably reach the Kinneret, or to construct a nuclear power station or a pesticide plant a few kilometres from a town or settlement, the decision is made by the National Planning Authority and, because of its lofty position, neither the private citizen nor environmental protection groups have the right to object.

As a result Israel is in the midst of an environmental crisis and the subject, instead of being dealt with at the highest levels, is falling between ministerial chairs, so to speak. One minister talks about security and another about water shortages while a third is only concerned with unemployment in development areas. All this is valid, for every one of these problems needs and must have immediate attention, but not at the expense of the quality of the country's environment.

WE ARE in the midst of a serious water shortage yet military, agricultural and other activities are polluting underground water sources in the Negev and in Lachish. Little is being done to stop the process. We have already seen the need to close more than 100 wells, mainly in the coastal plain, because their water has been polluted and is no longer usable. Now we see that the micro-chip industry, once hailed as a "clean" industry, has caused the closure of dozens of wells in Silicone Valley in California because the extremely dangerous chemicals used in

this industry leaked from its underground storage tanks and polluted the water.

Despite this, Israel has built these plants, with the least possible attention to detail, in various places, including the middle of residential neighbourhoods. Now there is one in Migdal Ha'emek where all waste flows into the national reservoir, the Lake of Galilee.

It does not matter that these plants look clean. That is exactly like the mistaken idea that an animal in a zoo without bars is not bothered by the moat that deprives it of its freedom. In many cases, the bars might even be welcome as a place to climb, thus increasing vertical space for the animal. So it is with the "clean" polluters such as micro-chip factories and nuclear power plants, for that matter.

Since the government is apparently either helpless or unwilling to deal with the environmental side of the problems of economic recovery and expansion, it seems that the time may have come to take some steps to protect the environment and the

quality of life in Israel.

The Environmental Protection Service, headed by Dr. Uri Marinov, is a first-class organization and the people there are very aware of the dangers this country faces in terms of environmental quality. Unfortunately, the service is usually able only to "advise and consent" since it has no real authority. This organization should be upgraded to the status of an independent authority like the Broadcasting Authority, the Weapons and Armaments Development Authority or the Nature Reserves Authority.

BUT BEYOND this, it is time for the subject of environmental quality to get more than mere lip service in the government, and that a Ministry of Environmental Protection be created. Certainly this step would not require much budgetary outlay since we already have more than half a dozen full-fledged cabinet ministers running around without a job. They already have offices, secretaries, cars, drivers and expense accounts. Why not charge one of them with the serious task of protecting our water,

air and soil resources?

Prof. Hillel Shoval, Chairman of the Israel Ecological Society, advocated such a step several years ago at an international conference. His advice was ignored and since then, things have gone from bad to worse.

A few years ago a zoologist from the Nature Reserves Authority had a windshield sticker on his car that said: "Extinct is Forever." This applies to other areas as well. Polluted water, unbreathable air, ravaged soil are also sometimes forever. Even when they are not, the cost of reversing the situation is often prohibitive.

In 40 years, we have done ecological damages to this country that will remain a problem for at least two or three generations. Is it not time that we stop this pillage and place our environmental quality high on the list of considerations before the National Planning Board? This cannot be done by individuals or even by concerned groups for in these august assemblies they have no voice. It can only be done at the ministerial level, and if it's not done soon, it may be too late to do it at all.

No to car allowance

Arye Rubinstein

CHEERS FOR Uriel Lynn for his proposal that the car allowance paid to workers above a certain grade in the public sector be converted into a regular salary component.

The Likud-Liberal MK has written to the minister of finance suggesting that the salary component be fixed at 80 per cent of the present payment. This, because the car allowance is not subject to employer contributions to the worker's pension, whereas the new salary component would be.

Lynn's plan is long overdue, and if it hasn't been put forward before, it is probably because there are so many recipients of the car allowance among the people who make the decisions that they have preferred to let sleeping dogs lie. But with the bonus of the pension contribution, they will probably welcome the proposal enthusiastically.

One reason the car allowance should be scrapped is because it is based on the fiction that the payment is necessarily related to the use of one's car in connection with one's job. In fact, the employee doesn't even have to use the car for getting to

and from work, not to mention using it in the performance of his duties. He may prefer to go to work by bus, or he may be within walking distance of his office. Or it may be more important that his wife use the car. None of this disqualifies the worker from obtaining the allowance. There are even cases where the employer provides transportation for the workers, without affecting their right to the allowance.

In short, the car allowance is a gimmick, a legal fiction. It is a device for paying workers in the higher grades more money than those in the lower grades without labelling it wages. Fraud enters only when workers who do use their cars in carrying out their duties inflate their kilometreage. Lynn mentions this as one of the major deficiencies of the present system.

NO LESS a defect is the unfairness of the car allowance to workers without cars. They may be in the same grade as colleagues who get the allowance and who perhaps never drive their cars to the office, but they have been left out in the cold. Given the liberality of the rules governing payment of the car allowance, it would make as much sense to give a special allowance to help workers

cover their whiskey bills. And let those who don't drink be damned.

To him who hath (a car) shall be given. I recently heard of a case in a Jerusalem hospital where workers in a particular job were promoted one grade, which made them eligible for the car allowance. And this turned out to be four times as much as the wage increase that came with the promotion. It was difficult for the carless workers to rejoice. To add insult to injury, the car owners continued to receive their bus allowance.

Under Lynn's proposal, carless workers who would now qualify for a car allowance if they did own a car would also get the new 80 per cent payment, thus ending the long-standing discrimination against them.

BUT THE strongest argument for doing away with the car allowance is that it encourages the purchase of cars. Many workers who would not otherwise have bought a car have done so simply in order not to "throw away" the allowance. I can cite the case of a young man who recently started working right after earning his engineering degree. He was told that if he had a car, it would add NIS 200 to his paycheck. Whereupon he overdrawn as much as he

could from the bank and borrowed the remainder of the NIS 5,000 he needed to buy a nice second-hand car.

In some government agencies, the worker can even get a loan from "the company" in order to buy a car. The car allowance not only encourages people to go into debt, but puts more cars on the roads and discourages the use of public transport. Last March, Transport Minister Haim Corfu told the Knesset that greater use of public transport means a saving for the economy in infrastructure and fuel. Besides, it means fewer road accidents.

Nevertheless, Corfu said, whereas the number of bus users had risen by 25 per cent between 1972 and 1983, the number of private car users had jumped by 50 per cent. And while the number of buses rose by 34 per cent in the same period, the number of private cars rose by 204 per cent.

Corfu thought that one reason for this trend was the relatively high increase in bus fares: between 1979 and 1983, bus fares had risen twice as much as car maintenance costs. And all this was counter to ministry policy.

We noted at the time Corfu's failure to mention the car allowance as another reason for the rapid increase in the number of private cars. ZALMAN CHEN, former Labour Ministry spokesman, who had a ring-side seat, told me about the origin of the car allowance. He says the story

has never been published. It was back in 1956 or 1957, he says. Levi Eshkol was finance minister and Mordechai Namir labour minister. The government-employed engineers went on strike, and the day after the strike went into its third week, Namir called Chen to his room.

"We've solved the problem," Namir said. "We've decided not to give them a raise, but to pay them a car allowance. Give it to the press."

Chen objected: "You didn't want to raise their pay, for fear other sectors would demand the same. But now they'll all want a car allowance."

Namir granted that there was logic in Chen's view, and the two of them rushed over to talk to Eshkol. "Vos viltu, yunger man?" Eshkol asked.

(What do you want, young man?) Chen repeated what he had told Namir. "Farfallen!" (Too late), said Eshkol. "We've already signed."

Chen could only tell Eshkol how angry he was, and he pledged that he personally would never accept a car allowance.

It is only proper that I state my personal standing in this matter: I do not own a car. I have no doubt that the main reason the media have been so silent on the subject over the years is that so many journalists do receive a car allowance.

The writer is the Jerusalem Post Knesset Correspondent.

READERS' LETTERS

NEO-ORTHODOX RABBIS

To the Editor of The Jerusalem Post Sir, - In his letter of August 17, Rabbi Mendel Lewittes proposes that Conservative rabbis "who remain within the realm of halachic Judaism" join with "enlightened" Orthodox colleagues to bring about takkanot (reforms). Rabbi Lewittes suggests three areas for cooperation as a start: changes in the Tisha Be'Av prayers, the Ketuba in Hebrew instead of Aramaic, and female minyanim. As a long-time Conservative, I doubt that the issues proposed by the Rabbi will be of any great interest to Conservatives, speaking by and large. I assume that Rabbi Lewittes chose the "safest" areas as starters, which makes his proposal all the more hopeless.

I don't see any more hope in his statement that more and more "enlightened" Orthodox rabbis are coming on the scene. This is undoubtedly true in the Diaspora and for the neo-Orthodox rabbis making aliyah, but in Israel at least, they have no influence and are not likely to achieve it in the foreseeable future. Then, overall there is the basic question whether Rabbi Lewittes' enlightenment will be enlightened enough for Conservatives at any time.

BERNARD COHEN

Jerusalem.

HANDWRITTEN WILLS

To the Editor of The Jerusalem Post Sir, - A passage in the published version of my article on the succession law amendment (July 10) could have given the impression that only in exceptional cases would the courts validate a handwritten will.

In fact, according to Israel law, a will written in the hand of the testator is always valid, provided the testator added the date and his signature in his own hand as well. In such cases, no witnesses or other formalities are required.

What I tried to point out in my article was that the amendment to the law gives the courts power to confirm the validity of handwritten wills even where the signature and/or date are missing.

P.S. PERLES

Tel Aviv.

The Jerusalem Post apologizes for the misinterpretation of Dr. Perles's draft.

NEEDED: ROAD COURTESY

To the Editor of The Jerusalem Post Sir, - I refer to Dr. Elisha Richter's article of August 22, "Defying death." His technical recommendations should be implemented, but they would not stop the carnage on the roads.

I drive at least 100km. per day and find that the reasons for road deaths are simply 1) lack of patience and 2) lack of manners.

Israeli drivers weave in and out of traffic, on and off the roads in death defying acts, attempting maneuvers that violate the laws of physics and logic. Cars are used as weapons, to intimidate others and to retaliate for imagined insults. All of this is done in a futile attempt to "jump the queue" and beat the traffic to the next red light.

I daily witness fighting on the roads and bumper smash-ups due to tailgating. And I have witnessed the senseless tragedy of a car plunging into a group of pedestrians rather than give way to another driver. All of this occurs on spacious, well paved and well lit roads which have neither New York potholes nor indecipherable New Jersey traffic signs. Israeli roads are good: Israeli driving habits need correcting.

It would all display in our public lives the same courtesy and friendship that we show in our private lives, then there would be no driving problem in Israel.

DAVID HOSTYK

Ra'anana.

SUPERFLUOUS VISIT

To the Editor of The Jerusalem Post Sir, - It is the fact pointed out on page eight by Adek Apfelbaum (August 25), namely, that Israelis are only 40 per cent as productive as other workers in the construction industry, that should have made the headlines on page one - not the entirely superfluous visit of our prime minister to a small African republic that has been good enough to recognize our existence.

I doubt very much if the profits of a whole year of exports to Cameroon will cover the actual costs of this insane and ridiculous junket.

TEDDY ARNOLD

Binyamina.

WEST BANK OPINION POLL

To the Editor of The Jerusalem Post Sir, - Regarding your news story of August 22 about the public opinion poll that took place recently in the occupied territories, I wish to point out the following:

1. The results of the poll will be announced September 8. Any information on the poll before this date is hearsay and not necessarily reflective of the poll's results.

WIESENTHAL ARCHIVES

To the Editor of The Jerusalem Post Sir, - In response to Avner Less's letter of August 20 which attacks Simon Wiesenthal, I wish to point out that the Yad Vashem archives contain the archives which Mr. Wiesenthal passed on to that institution, without gain, in 1955.

The Wiesenthal archives contain a mine of information regarding the fate of the refugees and the Briha movement of Holocaust survivors in the American zone of Austria. They also reflect his attempt to retrace, in a methodical manner, the Nazis' evil apparatus, and to locate criminals, as well as witnesses, in order to bring those criminals to justice.

In pursuit of this aim, Wiesenthal foiled the attempt of Eichmann's wife to declare him dead, which

UNEMPLOYMENT IN HAIFA

To the Editor of The Jerusalem Post Sir, - The difficult employment situation is cause for concern to all of us. We here in Haifa and the North are especially concerned about this problem as it affects *perid* and growing dependence on the welfare system.

We are planning to hold an open meeting on employment in Haifa and the North at 8 p.m. on September 16 at the AACI Moadon, 8 Wedgewood Street, Haifa (04-387140). We hope that people who are faced with unemployment and career changes, and people with ideas on how to handle them, will come. All English speakers are invited.

DAVID SCHWARTZ
Director, Northern Region, AACI

Haifa.

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POSTSCRIPTS

P.S. HUMANS may recoil from the sound of fingernails on blackboards because it is similar to warning cries made by other primates. Northwestern University researchers report from Evanston, Illinois.

The researchers recorded the sounds made by scraping a metal garden fork across a slate surface, then compared the sounds with naturally occurring noises.

"We discovered the scraping sound bears a strong resemblance to the warning cries emitted by monkeys in the wild," they wrote in an article published in the current issue of *Psychology Today*.

"Based on this resemblance, we speculate that our spine-tingling aversion to sounds like fingernails scraped over a surface may be a vestigial reflex inherited by our primate ancestors," psychologist Randolph Blake wrote.

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